

TITLE 6. ECONOMIC SECURITY

CHAPTER 12. DEPARTMENT OF ECONOMIC SECURITY

CASH ASSISTANCE PROGRAM

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ARTICLE 1. GENERAL PROVISIONS

R6-12-101. Definitions and Location of Definitions

A. Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Abuse”</u>	<u>A.R.S. § 8-201</u>
<u>“Administrative Disqualification Hearing”</u>	<u>R6-12-101(B)</u>
<u>“Adverse Action”</u>	<u>R6-12-101(B)</u>
<u>“Agency Conference</u>	<u>R6-12-101(B)</u>
<u>“AHCCCS”</u>	<u>R6-12-101(B)</u>
<u>“Alien Registration Number</u>	<u>R6-12-101(B)</u>
<u>“Appeal”</u>	<u>R6-12-101(B)</u>
<u>“Appellant”</u>	<u>R6-12-101(B)</u>
<u>“Appellant Services Administration”</u>	<u>R6-12-101(B)</u>
<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Battered or Subjected to Extreme Cruelty”</u>	<u>R6-12-101(B)</u>
<u>“Benefit”</u>	<u>R6-12-101(B)</u>

<u>“Benefit Month”</u>	<u>R6-12-101(B)</u>
<u>“Bona Fide Funeral Agreement</u>	<u>R6-12-101(B)</u>
<u>“Burial Plot”</u>	<u>R6-12-101(B)</u>
<u>“Business Day” or “Business Hours”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Day”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Quarter”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Year”</u>	<u>R6-12-101(B)</u>
<u>“Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Case Record”</u>	<u>R6-12-101(B)</u>
<u>"Cash Assistance" or “CA”</u>	<u>R6-12-101(B)</u>
<u>“Child Only Case”</u>	<u>R6-12-101(B)</u>
<u>“Child Welfare Agency”</u>	<u>R6-12-101(B)</u>
<u>“Collateral Contact”</u>	<u>R6-12-101(B)</u>
<u>“Countable Income”</u>	<u>R6-12-101(B)</u>
<u>“Countable Payment”</u>	<u>R6-12-101(B)</u>
<u>“Crime”</u>	<u>R6-12-101(B)</u>

<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“De Novo Proceeding</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>R6-12-101(B)</u>
<u>“Disregards”</u>	<u>R6-12-101(B)</u>
<u>“Division of Child Support Services” or “DCSS”</u>	<u>R6-12-101(B)</u>
<u>“Earned Income”</u>	<u>R6-12-101(B)</u>
<u>“Electronic Benefit Transfer” or “EBT”</u>	<u>R6-12-101(B)</u>
<u>“Eligibility Determination Date”</u>	<u>R6-12-101(B)</u>
<u>“Emotional Harm”</u>	<u>R6-12-101(B)</u>
<u>“Equity Value”</u>	<u>R6-12-101(B)</u>
<u>“Excusable Neglect”</u>	<u>R6-12-101(B)</u>
<u>“FAA Manual”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-12-101(B)</u>
<u>“Family Benefit Cap Period”</u>	<u>R6-12-101(B)</u>

<u>“Fair Consideration”</u>	<u>R6-12-101(B)</u>
<u>“Fair Market Value”</u>	<u>R6-12-101(B)</u>
<u>“Federal Poverty Level” or “FPL”</u>	<u>R6-12-101(B)</u>
<u>“Foster Care Maintenance”</u>	<u>R6-12-101(B)</u>
<u>“Foster Child”</u>	<u>R6-12-101(B)</u>
<u>“Grant Diversion”</u>	<u>R6-12-101(B)</u>
<u>“Gross Income”</u>	<u>R6-12-101(B)</u>
<u>“Hardship”</u>	<u>R6-12-101(B)</u>
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<u>“Hearing” or “Fair Hearing”</u>	<u>R6-12-101(B)</u>
<u>“Hearing Official”</u>	<u>R6-12-101(B)</u>
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<u>“Homestead Property”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>
<u>“Identifiable Application”</u>	<u>R6-12-101(B)</u>
<u>“Individual Development Account” or “IDA”</u>	<u>R6-12-101(B)</u>

<u>“In-Kind Income”</u>	<u>R6-12-101(B)</u>
<u>“Intentional Program Violation” or “IPV Claim”</u>	<u>R6-12-101(B)</u>
<u>“Job Corps”</u>	<u>R6-12-101(B)</u>
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<u>“Lawful Permanent Resident” or “LPR”</u>	<u>R6-12-101(B)</u>
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<u>“Lump Sum Income”</u>	<u>R6-12-101(B)</u>
<u>“Mailing Date”</u>	<u>R6-12-101(B)</u>
<u>“Minor Parent”</u>	<u>R6-12-101(B)</u>
<u>“Neglect”</u>	<u>A.R.S. § 8-201</u>
<u>“Net Income”</u>	<u>R6-12-101(B)</u>
<u>“Noncitizen”</u>	<u>R6-12-101(B)</u>
<u>“Noncitizen Sponsor”</u>	<u>R6-12-101(B)</u>
<u>“Nonparent Caretaker Relative” or “NPCR”</u>	<u>R6-12-101(B)</u>
<u>“Nonparent Relative”</u>	<u>R6-12-101(B)</u>
<u>“Notice Date”</u>	<u>R6-12-101(B)</u>

<u>“Office of Appeals”</u>	<u>R6-12-101(B)</u>
<u>“Office of the Inspector General” or “OIG”</u>	<u>R6-12-101(B)</u>
<u>“Office of Special Investigations”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
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<u>“Primary Informant” or “PI”</u>	<u>R6-12-101(B)</u>
<u>“Projected Income”</u>	<u>R6-12-101(B)</u>
<u>“Primary Wage Earning Parent” or “PWEF”</u>	<u>R6-12-101(B)</u>
<u>“PRWORA”</u>	<u>R6-12-101(B)</u>
<u>“Putative Father”</u>	<u>R6-12-101(B)</u>
<u>“Qualified Noncitizen”</u>	<u>8 U.S.C. 1641</u>
<u>“Qualified Health Professional”</u>	<u>R6-12-101(B)</u>
<u>“Recipient”</u>	<u>R6-12-101(B)</u>

<u>“Resources”</u>	<u>R6-12-101(B)</u>
<u>“Simplified Change Reporting”</u>	<u>R6-12-101(B)</u>
<u>“Social Security Administration”</u>	<u>R6-12-101(B)</u>
<u>“Social Security Disability Insurance”</u>	<u>R6-12-101(B)</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-12-101(B)</u>
<u>“Spendthrift Restriction”</u>	<u>R6-12-101(B)</u>
<u>“Sponsored Noncitizen”</u>	<u>R6-12-101(B)</u>
<u>“Standard Change Reporting”</u>	<u>R6-12-101(B)</u>
<u>“Student”</u>	<u>R6-12-101(B)</u>
<u>“Subpoena”</u>	<u>R6-12-101(B)</u>
<u>“Supplemental Security Income” or “SSI”</u>	<u>R6-12-101(B)</u>
<u>“Support or Support Obligation”</u>	<u>R6-12-101(B)</u>
<u>“SVES”</u>	<u>R6-12-101(B)</u>
<u>“TANF”</u>	<u>R6-12-101(B)</u>
<u>“Title IV-A of the Social Security Act”</u>	<u>R6-12-101(B)</u>
<u>“Two-Parent Employment Program”</u>	<u>R6-12-101(B)</u>

<u>“Underpayment”</u>	<u>R6-12-101(B)</u>
<u>“Unearned Income”</u>	<u>R6-12-101(B)</u>
<u>“Unwed Minor Parent”</u>	<u>R6-12-101(B)</u>
<u>“Vendor Payment”</u>	<u>R6-12-101(B)</u>
<u>“Violence”</u>	<u>R6-12-101(B)</u>
<u>“Wage Garnishment”</u>	<u>R6-12-101(B)</u>
<u>“Work Eligible Individual”</u>	<u>R6-12-101(B)</u>

B. The following definitions apply to this Chapter:

1. ~~“Acceptable medical source” means a registered nurse practitioner or a licensed physician, including a medical or osteopathic doctor, licensed psychologist, licensed optometrist, and licensed podiatrist, as applicable for the particular medical impairment.~~
2. ~~“Adequate notice” means a notice which explains the action the Department intends to take, the reason for the action, the specific authority for the action, the recipient’s appeal rights, and right to benefits pending appeal, and which is mailed before the effective date of the action.~~
3. ~~“Adequate and timely notice” means a written notice which contains the information required for an adequate notice and is sent within the time frame provided for a timely notice.~~
1. “Administrative Disqualification Hearing” means a proceeding to determine whether an individual receiving Cash Assistance Benefits has intentionally misrepresented the

individual's situation or has given false information to obtain benefits, or to obtain more benefits than they were entitled to receive.

- 4.2. ~~“Adverse action~~ Action” means ~~one of the Department actions described in R6-12-1001(A)~~ any action or inaction by the Department that affects the participation of the Household in the Cash Assistance program, including action to terminate or reduce a benefit Benefit or assistance grant, ~~or change the manner or form in which benefits are paid.~~
3. "Agency Conference" means an optional meeting between an Appellant and a Department representative that the Department makes available to an Appellant prior to a formal Hearing.
- 5.4. ~~“AHCCCS” or “Arizona Health Care Cost Containment System”~~ means the Arizona Health Care Cost Containment System, a system established pursuant to A.R.S. § 36-2901 et seq. which consists of contracts with providers for the provision of hospitalization and medical care coverage to members which is composed of the Administration as defined at A.R.S. § 36-2901(1), contractors as defined at A.R.S. § 36-2901(3), and other arrangements through which health care services are provided to an enrolled AHCCCS member.
6. ~~“AHCCCSA” or “The Arizona Health Care Cost Containment System Administration”~~ means ~~the Arizona state government agency which administers the AHCCCS program.~~
5. “Alien Registration Number” means a unique number assigned to a noncitizen by the Department of Homeland Security.

6. "Appeal" means a request for formal resolution of appealable action taken, or inaction, by the Department.
7. ~~"Appellant" means an applicant or recipient of assistance who is appealing an adverse action by the Department~~ Applicant, Recipient, or Head of Household who has filed an Appeal or otherwise requested a formal Hearing to resolve a dispute.
8. "Appellate Services Administration" or "ASA" means the administration within the Department that hears an Appeal from Department programs.
- 8.9. "Applicant" means a person who has directly, or through an authorized representative or responsible person, filed an application for CA with the Department.
- 9.10. ~~"Assistance unit Unit" means members of a needy family~~ Needy Family, or a ~~child-only case~~ Child Only Case, that meet the non-financial eligibility criteria for ~~Cash Assistance~~ CA and ~~whose the members'~~ the members' needs, income, ~~resources~~ Resources, and other circumstances are considered as a whole to determine a ~~CA benefit~~ Benefit amount.
10. ~~"Available income" means income that is actually available to the family or the assistance unit, and income in which the family or the assistance unit has a legal interest in a liquidated sum and has the legal ability to make such sum available for support and maintenance. When an assistance unit includes a dependent child who resides with a parent or a minor sibling, the Department shall consider the income of the parent and minor sibling as available income to the assistance unit.~~
11. ~~"Available resources" means resources that are actually available to the assistance unit, and resources in which the assistance unit has a legal interest. Resources include a liquidated sum in which the assistance unit has the legal ability to make such sum~~

~~available for support and maintenance. When an assistance unit includes a dependent child who resides with a parent or a minor sibling, the Department shall consider the resources of the parent and minor sibling as available resources to the assistance unit.~~

11. "Battered or Subjected to Extreme Cruelty" means a Sponsored Noncitizen is or has been the victim of any act or threatened act of violence, including any forceful detention, which results or threatens to result in physical or mental injury, psychological or sexual abuse or exploitation, including rape, molestation, incest (if the victim is a minor), or forced prostitution are considered acts of violence.
- ~~13.~~12. "Benefit" or "Cash Benefit" means a monetary amount that the Department pays to an Assistance Unit for a particular Benefit Month.
- ~~12.~~13. "Benefit Month" means the calendar month for which Benefits are paid based upon the assistance unit's projected income and anticipated circumstances for that same month.
- ~~14.~~14. "Bona fide funeral agreement Funeral Agreement" means a prepaid plan that specifically covers only funeral-related expenses as evidenced by a written contract.
15. "Burial Plot Plot" means a space reserved in a cemetery, crypt, vault, or mausoleum for the remains of a deceased person.
16. "Business Day" or "Business Hours" means 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays listed in A.R.S. § 1-301.
17. "Calendar Day" means the day as it falls sequentially on the calendar and includes Saturday, Sunday, and holidays.

- ~~17-18.~~ “Calendar ~~quarter~~ Quarter” means one of the four consecutive three-month periods of a ~~calendar-year~~ Calendar Year beginning with January 1, April 1, July 1, or October 1.
- ~~18-19.~~ “Calendar ~~year~~ Year” means a period of 12 consecutive months beginning with January 1 and ending with December 31.
- ~~19-20.~~ “Caretaker ~~relative~~ Relative” means a ~~parent~~ Parent or a ~~non-parent relative~~ Nonparent Relative, ~~whether~~ related by blood, ~~or~~ adoption, ~~or marriage~~ who maintains a ~~family~~ Family setting for a ~~dependent child~~ Dependent Child and who exercises responsibility for the ~~day-to-day~~ Day-to-Day physical care, guidance, and support of that child.
21. “Case Record” means all documentation collected or prepared by the Department in evaluating and determining eligibility and a Benefit amount and in performing all case maintenance functions, in both paper and electronic formats.
- ~~16-22.~~ “Cash Assistance” or “CA” means a component of the Temporary Assistance for Needy Families program administered by the Department that provides assistance to ~~needy families~~ Needy Families with ~~dependent children~~ Dependent Children and to ~~child-only cases~~ Child Only Cases under 42 U.S.C. 601 et seq.
- ~~20-23.~~ “~~Child only case~~ Only Case” or “Kinship Foster Care Child Only Case” means a case in which the eligible ~~dependent child~~ Dependent Child is in the legal custody of the Arizona Department of Child Safety, a tribal court or a tribal Child Welfare Agency located in this state and placed in unlicensed foster care ~~as defined in A.R.S. § 8-501~~, with an unrelated adult, or a ~~non-parent relative~~ Nonparent Relative who is not receiving Cash Assistance.
- ~~21-24.~~ “~~Child welfare agency~~ Welfare Agency” means any agency or institution as defined at A.R.S. § 8-501(A)(~~1~~) (2).

- ~~22:25.~~ “Collateral ~~contact~~ Contact” means an individual, agency, or organization the Department contacts to confirm information provided by the ~~applicant~~ Applicant or ~~recipient~~ Recipient.
- ~~23:26.~~ “Countable ~~income~~ Income” means income from every source minus income excluded under ~~R6-12-503~~ R6-12-504.
- ~~24:27.~~ “Countable ~~payment~~ Payment” means a ~~cash-benefit~~ Cash Benefit paid to or for an ~~assistance unit~~ Assistance Unit in the Arizona CA program on or after October 1, 2002, but does not include ~~cash-benefits~~ Cash Benefits that are not countable toward the ~~36~~ 12-month time limit under R6-12-318(E).
- ~~25:28.~~ “Crime” means any unlawful act against a ~~head-of-household~~ Head of Household, the spouse of the ~~head-of-household~~ Head of Household, or any member of an ~~assistance unit~~ Assistance Unit that creates a ~~hardship~~ Hardship.
- ~~26.~~ “~~Current federal poverty level~~” means the federal Department of Health and Human Services poverty guidelines published annually in the *Federal Register*.
- ~~27:29.~~ “Day” means a calendar Day unless otherwise specified.
- ~~30.~~ “De Novo Proceeding” means a Hearing in which the Hearing Official considers the matter based on evidence that is presented at the Hearing and without deference to the Department’s initial Adverse Action decision.
- ~~28:31.~~ “Department” means the Arizona Department of Economic Security.
- ~~29:32.~~ “Dependent ~~child~~ Child” means a child as defined at A.R.S. § 46-101(8).

- ~~30-33.~~ “Disregards” means ~~those~~ income deductions that the Department applies to the ~~family’s~~ Family’s or the ~~assistance unit’s~~ Assistance Unit’s gross ~~earned income~~ Earned Income to determine eligibility and ~~benefit~~ Benefit amount.
- ~~31.~~ “~~District Medical Consultant~~” means a ~~licensed physician whom the Department employs to review medical records for the purpose of determining physical or mental incapacity.~~
- ~~34.~~ “Division of Child Support Services” or “DCSS” means the Division within the Department that provides services to Parents and Caretaker Relatives who receive child support as well as Parents who pay child support. Some of the services include obtaining a child support order, collecting child, medical and spousal support from parents who have a court order, and helping unwed parents establish paternity for their child.
- ~~32-35.~~ “Earned income Income” means ~~any monetary gain~~ wages or salaries of an employed to the family Family or the assistance unit Assistance Unit member, income derived from self-employment, or the value of work performed in exchange for room, board, or other needs as defined in 45 CFR 233.20(a)(6)(iii) through (viii) (October 1994) which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions, in Article 5 of this Chapter.
- ~~36.~~ “Electronic Benefit Transfer” or “EBT” means the electronic transfer of government Benefit funds to individuals through the use of automated card technology. EBT transactions may be completed at automated teller machines (ATM) and point of sale (POS) terminals.

- 33-37. ~~“Eligibility determination date~~ Determination Date” means the date the Department makes ~~the an eligibility~~ decision ~~described in R6-12-706~~ and issues the eligibility decision notice.
38. “Emotional Harm” means an emotional impairment that substantially affects the individual’s ability to function.
34. ~~“Encumbrance” means a legal debt.~~
- 35-39. ~~“Equity value~~ Value” means ~~fair market value~~ Fair Market Value minus any encumbrances on an asset.
40. “Excusable Neglect” means an action involving an error such as might be made by a reasonably prudent person who attempts to handle a matter in a prompt and diligent fashion, as used in the Arizona Rules of Civil Procedure, Rule 60(b)(1).
- 36-41. ~~“FAA” or “Family Assistance Administration” or “FAA”~~ means the administration within the Department’s Division of Benefits and Medical Eligibility ~~with responsibility~~ responsible for providing financial and ~~food stamp~~ nutrition assistance to eligible persons and determining medical eligibility.
42. “FAA Manual” or “Cash and Nutrition Assistance Policy Manual” means the online publication containing the policies and procedures used by the Department to determine an Assistance Unit’s CA eligibility.
- 37-43. ~~“Fair consideration~~ Consideration” means an amount ~~which~~ that reasonably represents the ~~fair market value~~ Fair Market Value of transferred property.
- 38-44. ~~“Fair market~~ Market value Value” means the ~~value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to~~

~~buy or sell, and both having reasonable knowledge of the relevant facts~~ price that an asset would sell for on the open market, following a usual set of conditions: prospective buyers and sellers are reasonably knowledgeable about the asset, behaving in the prospective buyers' and sellers' own best interest, free of undue pressure to trade, and given a reasonable time period for completing the transaction.

39:45. "Family" means the following individuals and those living in the same home:

- a. A ~~head of household caretaker relative~~ Caretaker Relative Head of Household:
 - i. A ~~dependent child~~ Dependent Child;
 - ii. Parent or ~~parents~~ Parents of the ~~dependent child~~ Dependent Child;
 - iii. Spouse of the ~~parent~~ Parent or ~~parents~~ Parents of the ~~dependent child~~ Dependent Child;
 - ~~iv. The head of household caretaker relative;~~
 - ~~v.iv.~~ The spouse of the ~~head of household caretaker relative~~ Caretaker Relative Head of Household;
 - ~~vi.v.~~ Minor siblings of the ~~dependent child~~ Dependent Child;
 - ~~vii.vi.~~ Minor children of the ~~head of household caretaker relative~~ Caretaker Relative Head of Household; and
 - ~~viii.vii.~~ Minor children of the spouse of the ~~head of household caretaker relative~~ Caretaker Relative Head of Household; or
- b. A ~~minor parent~~ Minor Parent requesting CA under ~~R6-12-608~~ R6-12-605:
 - ~~i. The minor parent or parent;~~
 - ~~ii.i.~~ The ~~minor parent's~~ Minor Parent's child;

- iii.ii. The ~~minor parent's~~ Minor Parent's adult ~~caretaker relative~~ Caretaker Relative;
- iv.iii. The spouse of the ~~minor parent's~~ Minor Parent's adult ~~caretaker relative~~ Caretaker Relative;
- v.iv. ~~minor parent's~~ Minor Parent's minor siblings or step-siblings;
- vi.v. Minor children of the adult ~~caretaker relative~~ Caretaker Relative; and
- vii.vi. Minor children of the spouse of adult ~~caretaker relative~~ Caretaker Relative.

- 46. "Family Benefit Cap Period" means a 60 consecutive calendar month period that is assigned to a Parent or nonparent adult Recipient during which time a child who is born to that person is excluded from CA unless the child is exempt from such exclusion.
- 47. "Federal Poverty Level" or "FPL" means the federal Department of Health and Human Services poverty guidelines published annually in the Federal Register.
- 40-48. "Foster ~~care maintenance payment~~ Care Maintenance Payment" means a monetary amount that the Department of Child Safety ~~pays~~ provides to a foster ~~parent~~ Parent for the expenses of a child in foster care.
- 41-49. "Foster ~~child~~ Child" means a child placed in a foster home ~~or by a child welfare agency~~ Child Welfare Agency.
- 50. "Grant Diversion" or "Grant Diversion Cash Benefit" means a CA program option that the Department may offer an otherwise CA eligible Assistance Unit that provides a one-time lump sum payment equal to 3 times the monthly maximum CA grant amount for which the Assistance Unit is eligible.

- 42.51. “Gross Income” means ~~countable income~~ Countable Income available to a ~~family~~ Family and an ~~assistance unit~~ Assistance Unit for the purpose of computing the ~~net income~~ Net Income amount that is used to determine the income eligibility of a ~~family~~ Family and the ~~cash benefit~~ Cash Benefit amount for an ~~assistance unit~~ Assistance Unit.
- 43.52. “Hardship” means a situation that causes suffering or distress through the deprivation or loss of basic needs. The ~~hardship~~ Hardship ~~must prevent~~ substantially limits an adult ~~assistance unit~~ Assistance Unit member, the ~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household, the spouse of the ~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household, or the ~~minor parent~~ Minor Parent ~~head of household~~ Head of Household from working or engaging in work activities to a degree that such person is prevented from financially supporting the eligible ~~dependent child~~ Dependent Child in the ~~assistance unit~~ Assistance Unit, independent of CA.
- 44.53. “Head of ~~household~~ Household” means a ~~dependent child’s~~ Dependent Child’s ~~parent~~ Parent or the spouse of the ~~parent~~ Parent, or the ~~dependent child’s~~ Dependent Child’s ~~non-parent relative~~ Nonparent Relative or spouse of the ~~non-parent relative~~ Nonparent Relative, who receives Cash Assistance for ~~him (or her)self~~ the Head of Household and on behalf of the ~~dependent child~~ Dependent Child or only on behalf of the ~~dependent child~~ Dependent Child.
54. “Hearing” or “Fair Hearing” means a formal legal proceeding conducted by an impartial Hearing Official.
55. “Hearing Official” means a hearing officer or other designee of the Director who conducts Hearing.

45. ~~“Homebound” means a person who is confined to the home because of physical or mental incapacity.~~

46:~~56.~~ “Homeless” means all ~~assistance unit~~ Assistance Unit members ~~meet either of the following criteria:~~

a. ~~They~~Do not have a fixed or regular nighttime residence; or

b. ~~They~~Have as ~~their~~ the member’s primary nighttime residence one of the following:

i. A supervised shelter designed to provide temporary shelter to ~~homeless~~ Homeless persons;

ii. A half-way house or similar institution that provides temporary residence;

iii. A rent-free accommodation in the residence of another person for not more than 90 days; or

iv. A place not designed, or ordinarily used, for sleeping. This includes the following:

(1) Car;

(2) Bus station;

(3) Hallway;

(4) Park; or

(5) Sidewalk.

47:~~57.~~ “Homestead ~~property~~ Property” means a home owned and occupied by an ~~applicant~~ Applicant or ~~recipient~~ Recipient, or ~~which that~~ is co-owned and occupied by a separated or divorced spouse of an ~~applicant~~ Applicant or ~~recipient~~ Recipient.

58. "Household" means the group of individuals who are residing together and who are included in the definition of Family or in the definition of Assistance Unit.
59. "Identifiable Application" means an application that contains, at a minimum, both of the following:
- a. The legible name and address of the Applicant; and
 - b. The signature, which may be an electronic signature or recorded telephonic signature, under penalty of perjury, of the Applicant or the Applicant's authorized representative, or, if the Applicant is incompetent or incapacitated, someone legally authorized to act on behalf of the Applicant.
48. ~~"Income" means earned and unearned income available to a family or an assistance unit.~~
60. "Individual Development Account" or "IDA" means an account that allows a CA Recipient to accumulate funds to achieve educational or training goals, assist with purchase costs for a first home to be used as a qualified principal residence by the account holder, or use for business capitalization expenses paid directly to a business capitalization account.
61. "In-Kind Income" means the value of work performed in exchange for room, board, or other needs and for which no monetary payment is made to the person performing the work.
62. "Intentional Program Violation" or "IPV" means deliberately making false or misleading statements, misrepresenting, concealing or withholding facts to obtain CA Benefits, or committing any act that violates a federal or state statute relating to obtaining or using CA Benefits.

- ~~49-63.~~ “JOBS” or “Job Opportunities and Basic Skills Training Program” “Jobs Program” means ~~the program authorized by 42 U.S.C. 681 - 687 and A.R.S. § 46-299, which assists CA recipients to prepare for, obtain, and retain employment~~ the program established by the Department to ensure that participants comply with work requirements as prescribed in 42 U.S.C. 607 and A.R.S. § 46-299.
- ~~50-64.~~ “Job Corps” means the program authorized by 29 U.S.C. ~~1691~~ 3191 et seq. which provides education, training, intensive counseling, and related assistance to economically disadvantaged ~~young men and women~~ persons.
- ~~51.~~ “JTPA” or “Job Training Partnership Act” means the program authorized by 29 U.S.C. ~~1501 et seq. which prepares youth and unskilled adults for entry into the labor force and affords special job training.~~
- ~~65.~~ “Kinship Care CA” means a CA case in which the Head of Household is a Nonparent Caretaker Relative of all the Dependent Children for whom CA is requested or is provided, and the nonparent Head of Household is not included in the CA Cash Benefit.
- ~~52-66.~~ “Lawful Permanent Resident” or “LPR” means a ~~noncitizen~~ Noncitizen who has been granted ~~authorization by the United States Citizen and Immigration Service to live and work in the United States on a permanent basis~~ the status of having been lawfully accorded the privilege of residing permanently in the United States as an immigrant in accordance with the immigration laws, such status not having changed.
- ~~67.~~ “Legal Permanent Guardian” means a person who has been appointed Legal Permanent Guardianship of a minor child by any court during a dependency Hearing or dependency proceeding.

53. ~~“Liquid asset” means cash or another financial instrument which is readily convertible to cash.~~
54. ~~“Local office” means a FAA office which is designated as the office in which CA applications and other documents are filed with the Department and in which eligibility and benefit amounts are determined.~~
- 55-68. ~~“Lump sum income~~ Sum Income” means a single payment of Earned or Unearned Income, such as retroactive monthly ~~benefits~~ Benefits, non-recurring pay adjustments or bonuses, inheritances, lottery winnings, or personal injury and workers’ compensation awards.
- 56-69. ~~“Mailing date~~ Date,” when used in reference to a document sent first class, postage prepaid, through the United States mail, means the date:
- a. Shown on the postmark;
 - b. Shown on the postage meter mark of the envelope, if there is no postmark; or
 - c. Entered on the document as the date of its completion, if there is no legible postmark or postage meter mark.
70. Minor Parent means a person who:
- a. Is less than 18 years of age and is not legally emancipated;
 - b. Has never married; and
 - c. Is the natural Parent of a Dependent Child living in the same Household.
57. ~~“Need standard” means the money value the state assigns to the basic and special needs deemed essential for an assistance unit.~~
58. ~~“Needy family” means the same as A.R.S. § 46-101(16).~~

- 59-71. “Net ~~income~~ Income” means ~~gross income~~ Gross Income, minus the monthly ~~earned income~~ Earned Income ~~disregards~~ Disregards under ~~R6-12-703~~ R6-12-704. Net ~~income~~ Income is used to determine the income eligibility of a ~~family~~ Family and a ~~cash benefit~~ Cash Benefit amount for an ~~assistance unit~~ Assistance Unit.
- 61-72. “Noncitizen” means a person who is not a United States citizen.
- 62-73. “Noncitizen ~~sponsor~~ Sponsor,” ~~which is sometimes referred to as a~~ or “~~sponsor~~ Sponsor ;” means ~~an organization which,~~ or a person who has executed an affidavit of support or ~~similar agreement~~ on behalf of an ~~noncitizen~~ Noncitizen ~~who is not the child or spouse of the sponsor,~~ as a condition of the ~~noncitizen’s~~ Noncitizen’s entry into the United States under 8 U.S.C. 1183(a).
74. “Nonparent Caretaker Relative” or “NPCR” means a Nonparent Relative who maintains a Family setting for a Dependent Child and who exercises responsibility for the Day-to-Day physical care, guidance, and support of that child.
- 60-75. “~~Non-parent relative~~ Nonparent Relative” means a ~~dependent child’s~~ Dependent Child’s grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, niece, nephew, or cousin and includes a permanent guardian who is appointed pursuant to A.R.S. § 8-872. ~~A.R.S. § 46-101(17).~~
- 63-76. “Notice ~~date~~ Date” means the date ~~which~~ that appears as the official date of issuance on a document or official written notice the Department sends or gives to an ~~applicant~~ Applicant or ~~recipient~~ Recipient.
77. “Office of Appeals” means the authority within ASA that conducts a Hearing on an Appeal involving Department programs as authorized by law.

78. “Office of the Inspector General” or “OIG” means the Department office responsible for overseeing, supervising, and coordinating the assessment and monitoring of the Department’s compliance with federal and state laws, rules, and regulations, and the Department’s policies and procedures. OIG works to protect the integrity of programs by preventing and detecting fraud, waste, Abuse and misconduct.
- 64:79. ~~“OSI” or~~ “Office of Special Investigations” means the Department office to which FAA refers cases for investigation of certain eligibility information, investigation and preparation of fraud charges, coordination and cooperation with law enforcement agencies, and other similar functions.
- 65:80. “Overpayment” means a financial assistance payment received by or for an ~~assistance unit~~ Assistance Unit for a ~~benefit month~~ Benefit Month ~~and which that~~ exceeds the amount to which the unit was lawfully entitled.
- 66:81. “Parent” means the lawful mother or father of a ~~dependent child~~ Dependent Child and includes only a birth or adoptive ~~parent~~ Parent and excludes a stepparent.
- 67:82. “Participating in a strike Strike” means engaging in any activity as defined at 29 U.S.C. 142(2); ~~as amended through June 23, 1947, which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions.~~
- 68:83. “Party” means the Department ~~and or the applicant or recipient~~ Appellant.
69. ~~“Payment standard” means the amount of money from which net income is subtracted to calculate the monthly benefit amount.~~

84. “Personal Responsibility Agreement” means the document that a CA Applicant signs that lists and explains program requirements for adult Recipients and the penalty for not complying with those requirements.
85. “Physical Harm” means a physical impairment of the human body of a serious nature.
- ~~70-86.~~ “Physical or ~~mental incapacity~~ Mental Impairment” means a physical or mental impairment which substantially precludes a parent from providing for the support or care of the parent’s child condition that substantially limits or prevents an individual from completing activities of daily living without assistance, as verified by a Qualified Health Professional.
- ~~71-87.~~ “PI” means the Primary Informant, “Primary Informant” or “PI” who is the individual means the Head of Household who signs the Application for Assistance; in TPEP assistance units the PI is the PWEP applies for CA on behalf of the Assistance Unit.
- ~~72.~~ “PRA” means the Personal Responsibility Agreement, which is a document listing the obligations of a household that applies for and receives CA.
- ~~73-88.~~ “Projected ~~income~~ Income” means an estimate of income that a family Family or an assistance unit Assistance Unit is reasonably expects certain to receive in a specific month, the actual amount of which is unknown but is estimated from available and reliable information.
- ~~74.~~ “Prospective eligibility” means an eligibility determination for a benefit month based on income and other circumstances as they actually exist, and are anticipated to exist, in that same month.

76. ~~“Prospective budgeting” means the computation of a benefit amount for a particular benefit month based on the Department’s projected income and circumstances as they actually exist and are anticipated to exist for that same month.~~
- 78:89. ~~“PWEP” or “Primary wage earning parent”~~ “Primary Wage Earning Parent” or “PWEP” means the ~~parent~~ Parent in a two-~~parent~~ Parent ~~family~~ Family who earned the greater amount of income in the 24-month period immediately preceding the month in which an application for ~~benefits~~ Benefits is filed.
- 77:90. “PRWORA” means the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193).
- 75:91. ~~“Putative father~~ Father” means a ~~male person whom a birth mother has named as father of her child~~ man who is alleged to be, or claims to be, the biological father of a child that is born to a woman to whom the man is not married at the time of the child’s birth, but whose paternity has not been legally ~~established as a matter of law.~~
92. “Qualified Noncitizen” means the same as 8 U.S.C. 1641.
93. “Qualified Health Professional” means a registered nurse practitioner or a licensed physician, doctor of naturopathic medicine, chiropractor, psychiatrist, board certified psychologist, or physician's assistant that has a dependent relationship with a licensed physician, nurse, or a clinical social worker, as applicable for the particular medical impairment.
94. “Recipient” means an individual receiving CA Benefits.

79. ~~“Request for hearing” means a clear written expression by an applicant or recipient, or such person’s representative, indicating a desire to present the case or issue to a higher authority.~~
- 80:95. ~~“Resources” means real and personal property available to an assistance unit~~ Assistance Unit.
81. ~~“Review” means a review of all factors affecting an assistance unit’s eligibility and benefit amount.~~
96. “Simplified Change Reporting” means one of the two change reporting requirements that the Department assigns to an eligible Assistance Unit, under R6-12-904(B).
97. “Social Security Administration” or “SSA” means the federal agency that assigns Social Security numbers, administers the Social Security retirement, survivors, and disability insurance programs and the Supplemental Security Income program for the aged, blind, and disabled.
98. “Social Security Disability Insurance” or “SSDI” means disability Benefits provided under Title II of the Social Security Act and administered by the Social Security Administration that are paid to eligible disabled individuals as well as to certain disabled dependents of eligible disabled individuals.
99. “Social Security Number” or “SSN” means a nine-digit number issued by the Social Security Administration to U.S. citizens, permanent residents, and temporary residents under 42 U.S.C. 45.
- 82:100. ~~“Spendthrift restriction~~ Restriction” means a legal restriction on the use of a resource ~~which~~ that prevents a payee or beneficiary from alienating the resource.

~~83-101.~~ “Sponsored ~~noncitizen~~ Noncitizen” means a ~~noncitizen~~ person whose entry into the United States was sponsored by a person who, ~~or an organization which,~~ executed an affidavit of support ~~or similar agreement on behalf of the noncitizen alien, who is not a child or spouse of the sponsor~~ under 8 U.S.C. 1183(a).

102. “Standard Change Reporting” means one of the two change reporting requirements that the Department assigns to an eligible Assistance Unit, under R6-12-904(A).

~~84-103.~~ “Student” means a person who is attending a school, college, or university, or who is enrolled in a course of vocational or technical training designed to prepare the trainee for gainful employment, and includes a participant in Job Corps.

~~85. “Suitable work” means work in a recognized occupation for which a person is reasonably qualified.~~

104. “Subpoena” means a written order from the Hearing Official to appear and provide testimony or to produce documents for inspection and consideration in a Hearing.

105. “Supplemental Security Income” or “SSI” means a federal income supplement program provided under Title XVI of the Social Security Act and administered by the Social Security Administration that is designed to help aged, blind, and disabled people, that have little or no income; and provides cash to meet basic needs for food, clothing, and shelter.

~~86106.~~ “Support” or “Support Obligation” means child support, alimony, spousal maintenance, or medical support.

87. ~~“Supportive Services unit” means an assistance unit which is eligible for all benefits, except a monthly cash amount, that a CA assistance unit receives.~~

88107. “SVES” means the State Verification and Exchange System which is a system through which the Department exchanges income and ~~benefit~~ Benefit information with the Internal Revenue Service, Social Security Administration, State Wage, and Unemployment Insurance Benefit data files.

89108. “TANF” means Temporary Assistance for Needy Families, which is a federal program under 42 U.S.C. 601 et seq. administered by the Department to provide assistance and services to ~~needy families~~ Needy Families with ~~dependent children~~ Dependent Children and child only cases under 42 U.S.C. 601 et seq. and is designed to accomplish four goals:

- a. To provide assistance to Needy Families so that children may be cared for in the children’s own homes or in the homes of relatives;
- b. To end the dependency of needy Parents on government Benefits by promoting job preparation, work, and marriage;
- c. To prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- d. To encourage the formation and maintenance of two-Parent Families.

90. ~~“Timely notice” means a notice which the Department mails at least 10 days before the date on which the action described in the notice will occur or take effect or, in circumstances of probable fraud, at least five calendar days in advance of the date such action is effective.~~

~~94109.~~ “Title IV-A of the Social Security Act” means 42 U.S.C. 601 - 617, the statutes establishing the CA program.

~~92110.~~ “Title IV-E of the Social Security Act” means 42 U.S.C. 670 - 679, the statutes establishing the foster care and adoption assistance programs.

~~93111.~~ ~~“TPEP” or “Two-parent Employment Program”~~ “Two-Parent Employment Program” or “TPEP” means the CA ~~program component~~ that provides assistance for ~~dependent children~~ Dependent Children residing in a ~~needy family~~ Needy Family who are deprived of parental support because the ~~primary wage-earning parent~~ Primary Wage Earning Parent is unemployed or underemployed.

~~94112.~~ “Underpayment” means a monthly ~~benefit~~ Benefit payment ~~which that~~ is less than the amount for which the ~~assistance unit~~ Assistance Unit is eligible, or the failure to issue a ~~benefit~~ Benefit payment when such payment should have been issued.

~~113.~~ “Unearned Income” means income a Family member or an Assistance Unit member receives without being required to perform any labor or service as a condition of receiving the income such as annuities, pensions, retirement, child support or alimony, disability, or unemployment insurance benefits.

~~114.~~ “Unwed Minor Parent” means a person who:

- a. Is less than 18 years of age and is not legally emancipated;
- b. Has never married; and
- c. Is the natural Parent of a Dependent Child living in the same Household.

95115. “Vendor ~~payment~~ Payment” means a payment that a person or organization that is not a member of the ~~family~~ Family or the ~~assistance unit~~ Assistance Unit makes to a third-party ~~Party~~ vendor to cover ~~family~~ Family or ~~assistance unit~~ Assistance Unit expenses.

96116. “Violence” means battery or ~~extreme~~ cruelty inflicted on a ~~head of household~~ Head of Household or any member of an ~~assistance unit~~ Assistance Unit. Battery or ~~extreme~~ cruelty includes any of the following:

- a. Physical acts that threatened or resulted in physical injury;
- b. Threats of, or attempts at, physical or sexual ~~abuse~~ Abuse;
- c. Sexual activity involving a child;
- d. Being forced as the caretaker of a child to engage in non-consensual sexual acts or activities;
- e. Mental or emotional ~~abuse~~ Abuse; and
- f. Neglect or deprivation of basic necessities such as food or medical care.

97. ~~“Voluntary Quit/Reduction in Work Effort” is an action to willingly quit a job or reduce work effort without good cause.~~

98. ~~“Warrant” means a payment instrument drawn on the Arizona State Treasury authorizing payment of a particular sum of money to an CA recipient~~

117. “Wage Garnishment” means a legal procedure in which a person's earnings are required by court order to be withheld by an employer for the payment of a debt.

118. “Work Eligible Individual” means an adult or minor child Head of Household receiving TANF Cash Assistance, or a non-Recipient Parent living with a child that receives TANF Cash Assistance, unless the individual is:

- a. A Minor Parent and not the Head of Household or spouse of the Head of Household;
- b. An individual that is ineligible to receive assistance due to the individual's immigration status;
- c. A Recipient of Supplemental Security Income, unless the Recipient is employed and meeting the federal work participation rate; or
- d. A Parent otherwise mandated to participate in work activities who is providing care for a Family member with a disability living in the home if the need for such care is supported by medical documentation.

R6-12-102. Confidentiality

- A. Personally identifiable information.
 - 1. All personally identifiable information concerning an ~~applicant~~ Applicant, ~~recipient~~ Recipient, or member of a ~~family~~ Family in the possession of the Department is confidential and not subject to public inspection, except as otherwise specified in A.R.S. § 41-1959 and this Section.
 - 2. Personally identifiable information includes:
 - a. Name, address, and telephone number;
 - b. Social Security ~~number~~ Number and date of birth;
 - c. Unique identifying numbers such as a driver's license number;
 - d. Photographs;
 - e. Information related to social and economic conditions or circumstances;

- f. Medical data, including diagnosis and past history of disease or disability;
and
- g. Any other information ~~which~~ that is reasonably likely to permit another person to readily identify the subject of the information.

B. Release of information to ~~applicants~~ Applicants and ~~recipients~~ Recipients.

- 1. An ~~applicant~~ Applicant or ~~recipient~~ Recipient may review the contents of ~~his~~ the Applicant's or ~~her~~ Recipient's ~~own eligibility file~~ Case Record at any time during the Department's regular ~~business hours~~ Business Hours, provided that a Department employee is present during the review.
- 2. A ~~dependent child~~ Dependent Child may review a ~~case file~~ Case Record in which the child is included as a ~~recipient~~ Recipient, only with the written permission of the child's ~~parent, legal guardian, or custodian~~ Caretaker Relative.
- 3. The Department may withhold medical information ~~which~~ that, if released, may cause ~~physical~~ Physical or mental ~~harm~~ Harm to the person requesting the information, until the Department contacts the person's ~~physician~~ Qualified Health Professional and obtains an opinion that the Department can safely release the information.

C. Release of information to authorized persons and representatives. An ~~applicant~~ Applicant or ~~recipient~~ Recipient may permit the release of information from the ~~applicant~~ Applicant's or ~~recipient's~~ Recipient's ~~eligibility file~~ Case Record to another person or representative by executing a release form containing the following information:

- 1. The specific information the Department is authorized to release;

2. The name of the person or organization to whom the Department may release information;
3. The duration of the release, if limited; and
4. Signature and date.

D. Release to persons and agencies for official purposes.

1. An official purpose is ~~one~~ directly related to the administration of a public assistance program and includes:
 - a. Establishing eligibility;
 - b. Determining the amount of an assistance grant;
 - c. Providing services to ~~applicants~~ Applicants and ~~recipients~~ Recipients, including child support enforcement services;
 - d. Investigating or prosecuting civil or criminal proceedings related to an assistance program; and
 - e. Evaluating, analyzing, overseeing, and auditing program operations.
2. The Department may release confidential information to the following persons and agencies to the extent required for official purposes:
 - a. Department employees;
 - b. Employees of the Social Security Administration;
 - c. Public assistance agencies of any other state;
 - d. Persons connected with the administration of child support ~~enforcement activities~~;
 - e. Arizona Attorney General's Office;

- f. Persons connected with the administration of federal or federally assisted programs ~~which~~ that provide assistance, in cash or in-kind, or services directly to individuals on the basis of need;
- g. Government auditors when the audits are conducted in connection with the administration of any assistance program by a governmental entity ~~which~~ that is authorized by law to conduct such audits;
- h. ~~AHCCCSA~~ AHCCCS, for eligibility purposes;
- i. Law enforcement officials for an investigation, prosecution, or civil or criminal proceedings conducted by or on behalf of the Department or a federal public assistance agency in connection with the administration of a public assistance program; and
- j. The Internal Revenue Service for the purpose of identifying improperly claimed tax exemptions by the absent ~~parent~~ Parent of a child supported by CA.

R6-12-103. Case Record

- A. The Department shall maintain a ~~case record~~ Case Record for every ~~CA applicant~~ Applicant ~~for or recipient~~ Recipient of assistance.
- B. Except as otherwise provided in subsections (C) and ~~(DE)~~ below, the Department shall retain the ~~case record~~ Case Record for a period of ~~3~~ three years after the last date on which the ~~applicant~~ Applicant received an adverse determination of eligibility or the ~~recipient~~ Recipient last received a ~~benefit~~ Benefit payment.

C. The Department shall retain a ~~case record~~ Case Record ~~which that~~ contains an unpaid ~~overpayment~~ Overpayment until:

1. The ~~overpayment~~ Overpayment is paid in full~~;~~ or
2. The ~~assistance unit~~ Assistance Unit is no longer obligated to repay the ~~overpayment~~ Overpayment.

D. The Department shall retain a ~~case record~~ Case Record ~~which that~~ includes a person determined to have committed an ~~intentional program violation~~ Intentional Program Violation pursuant to Article 12 until:

1. The ~~overpayment~~ Overpayment is paid in full~~;~~ and
2. The disqualification sanction is satisfied.

~~E. The case record shall contain all documentation collected or prepared by the Department in evaluating and determining eligibility and benefit amount.~~

R6-12-104. ~~Manuals~~ FAA Manual

~~Each FAA office shall maintain and keep available for public inspection and copying during regular business hours, a copy of the CA program manual. The Department shall maintain an online FAA Manual and shall post a link to the FAA Manual on the Department's website for public access.~~

ARTICLE 2. APPLICATION PROCESS AND PROCEDURES

R6-12-201. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Adverse Action”</u>	<u>R6-12-101(B)</u>
<u>“Appeal”</u>	<u>R6-12-101(B)</u>
<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit” or “Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“Business Day” or “Business Hours”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Day”</u>	<u>R6-12-101(B)</u>
<u>“Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Child Only Case”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>A.R.S. § 46-101</u>
<u>“Disregards”</u>	<u>R6-12-101(B)</u>
<u>“Division of Child Support Services” or “DCSS”</u>	<u>R6-12-101(B)</u>
<u>“Family Assistance Administration or “FAA”</u>	<u>R6-12-101(B)</u>

<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Identifiable Application”</u>	<u>R6-12-101(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>
<u>“Kinship Care CA”</u>	<u>R6-12-101(B)</u>
<u>“Needy Family”</u>	<u>A.R.S. § 46-101</u>
<u>“Nonparent Relative”</u>	<u>R6-12-101(B)</u>
<u>“Notice Date”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>
<u>“Resources”</u>	<u>R6-12-101(B)</u>
<u>“Simplified Change Reporting”</u>	<u>R6-12-101(B)</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-12-101(B)</u>
<u>“Standard Change Reporting”</u>	<u>R6-12-101(B)</u>
<u>“Supplemental Security Income” or “SSI”</u>	<u>R6-12-101(B)</u>
<u>“Support” or “Support Obligation”</u>	<u>R6-12-101(B)</u>
<u>“SVES”</u>	<u>R6-12-101(B)</u>

Application

A. ~~Any~~ A person may apply for CA by ~~filing, submitting either in person or by mail,~~
a Department-approved application ~~form with any~~ at any FAA office ~~in person, or by~~
mail, fax, or electronic transmittal of an online application.

B. The application file date is the date any FAA office receives an ~~identifiable~~
~~application~~ Identifiable Application during normal Business Hours. If the application is
received outside normal Business Hours, the application file date is: ~~An identifiable~~
~~application is 1 which contains, at a minimum, the following information:~~

1. The next Business Day, or
2. That same Calendar Day when the Department conducts an eligibility
interview after normal Business Hours.

~~1. The legible name and address of the person requesting assistance; and~~
~~2. The signature, under penalty of perjury, of the applicant or the applicant's~~
~~authorized representative, or, if the applicant is incompetent or incapacitated,~~
~~someone legally authorized to act on behalf of the applicant.~~

C. ~~In addition to the identifiable information described in subsection (B), a~~ A
completed application shall contain:

1. The names of all persons living ~~in the applicant's dwelling~~ with the Applicant and
the relationship of ~~such each persons~~ person to the ~~applicant~~ Applicant,
2. A request to receive ~~cash benefits~~ Cash Benefits ~~which that~~ which complies with the
requirements of ~~R6-12-202~~ R6-12-203, and

3. All other financial and non-financial eligibility information requested on the application form.

~~D. An application for CA is automatically treated as an application for AHCCCS medical benefits.~~

~~R6-12-202~~**R6-12-203. Request for Benefits; Composition of the Assistance Unit**

A. An ~~applicant~~ Applicant may receive CA for any eligible ~~dependent child~~ Dependent Child, and the ~~parents~~ Parents, siblings, and ~~non-parent relatives~~ Nonparent Relatives of the eligible ~~dependent child~~ Dependent Child residing in the ~~applicant's~~ Applicant's home who meet the CA financial and nonfinancial eligibility criteria.

B. A ~~parent~~ Parent or sibling in a ~~family~~ Family with an eligible ~~dependent child~~ Dependent Child:

1. Shall be part of the ~~assistance unit~~ Assistance Unit with the ~~dependent child~~ Dependent Child when the ~~parent~~ Parent or sibling:

a. Requests CA₂ and

b. Meets all nonfinancial CA eligibility criteria₂ or

2. Shall not be part of the ~~assistance unit~~ Assistance Unit if the ~~parent~~ Parent or sibling does not meet the requirements of subsection (B)(1), but the Department shall consider ~~their~~ the Parent or sibling's income and ~~resources~~ Resources available to the ~~assistance unit~~ Assistance Unit for the purpose of determining the eligibility for, and the amount of, the cash benefit Cash Benefit.

- C. An ~~applicant~~ Applicant who is the ~~non-parent caretaker relative (NPCR)~~ of a ~~dependent child~~ a Dependent Child's NPCR and who meets the requirements of R6-12-306(A)(4) may also ~~ask~~ request to be included in the ~~cash benefit~~ Cash Benefit.
- D. When one NPCR cares for step-siblings or children who lack any sibling relationship, the NPCR and the children shall be included in the same ~~cash benefit~~ Cash Benefit.
- E. Notwithstanding any other provision of this Chapter, no person shall receive CA in more than one ~~assistance unit~~ Assistance Unit in Arizona in any calendar month.
- F. If a person is required to be included in more than one ~~assistance unit~~ Assistance Unit, the Department shall consolidate the ~~assistance units~~ Assistance Units.

R6-12-204. Disability Determination Repealed

- ~~A. When an assistance unit is requesting CA due to the mental or physical incapacity of a parent, as provided in R6-12-310(G), the Department shall verify the existence of the disability.~~
- ~~B. The assistance unit shall demonstrate incapacity of a parent by providing a medical statement from a licensed physician. The statement shall include:
 - 1. ~~A diagnosis of the person;~~
 - 2. ~~A finding that the person has a physical or mental condition which prevents the person from working, and~~
 - 3. ~~An opinion concerning the duration of unemployability or a date for re-evaluation of unemployability.~~~~
- ~~C. The local FAA office shall find disability, without further medical verification, when the applicant provides evidence that:~~

- ~~1. The Social Security Administration (SSA) has determined that the person is eligible for Retirement, Survivors, Disability Insurance (RSDI) benefits due to blindness or disability;~~
 - ~~2. The SSA has determined that the person is eligible for Supplemental Security Income (SSI) due to blindness or disability;~~
 - ~~3. The Veteran's Administration has determined that the person has at least a 100% disability;~~
 - ~~4. The person's physician has released the person from the hospital and imposed work restrictions for a specified recuperation period;~~
 - ~~5. The person's employer or physician has required the person to terminate employment due to the onset of a disability and the physician has specified a recuperation period;~~
 - ~~6. The person's physician has determined that the person is capable of employment only in a sheltered workshop, for a specified period of time, and the person is so employed; or~~
 - ~~7. A prior certification of disability is in the person's case record and is still valid to cover the period in which assistance is requested and will be received.~~
- ~~D. The District Medical Consultant shall determine incapacity for all persons not covered under subsections (B) or (C).~~

~~R6-12-203~~R6-12-204. Initial Eligibility Interview

- A. Upon receipt of an ~~identifiable application~~ Identifiable Application, the Department shall ~~schedule an initial eligibility interview for the applicant at a location~~

~~which assures a reasonable amount of privacy. Upon request, the Department shall conduct the interview at the residence of a person who is homebound. Review all financial and non-financial eligibility information provided on the application and any verification documents provided by the Applicant or available to the Department; and~~

1. Deny the application and send the Applicant a denial notice explaining the denial reason when the financial or non-financial eligibility information provided on the application or any verification documents provided by the Applicant or available to the Department clearly indicate that the Assistance Unit is not eligible for CA;
or

2. Notify the Applicant that an eligibility interview is required.

B. When an Applicant's application is denied under subsection A(1) and the Applicant contacts the Department within 30 days of the denial notice date to report that information provided on the denied application was incomplete or erroneous, the Department shall reopen the application and notify the Applicant that an eligibility interview is required as provided in subsection C.

B.C. ~~The applicant shall attend the interview. A person of the applicant's choosing may also attend the interview.~~ When the eligibility interview is not completed on the application file date for both initial and recertification applications the Department shall:

1. Provide written notification to the Applicant that the Applicant shall contact the Department to complete an eligibility interview by telephone, provide a timeframe during which the telephone eligibility interview shall be conducted,

and provide clear instructions for completing the eligibility interview, including the calendar date by which the eligibility interview shall be completed;

2. Allow an in-person eligibility interview at any FAA office for all Applicants who request an in-person eligibility interview. An Applicant may request an in-person eligibility interview by contacting the Department by telephone or in-person at any FAA office. The Applicant shall complete an in-person eligibility interview at any FAA office within the same timeframe that is required for the telephone eligibility interview in section (C) (1);
3. Allow an in-person eligibility interview at an Applicant's home when requested by the Applicant and at least one of the following circumstances applies:
 - a. The Applicant is disabled and requests an accommodation;
 - b. The Applicant is unable to attend an in-person eligibility interview at an FAA office due to the lack of affordable public or private transportation;
or
 - c. The Applicant has another valid reason, as approved by an FAA supervisor, for not being able to appear for an office eligibility interview.
4. Schedule an in-person eligibility interview at an Applicant's home and notify the Applicant of the date and time of the eligibility interview; and
5. Deny the application when the Applicant fails to timely complete the telephone eligibility interview, fails to complete an in-person eligibility interview at an FAA office, or fails to complete an in-person eligibility interview scheduled at an Applicant's home.

~~E.D.~~ During the eligibility interview, a Department representative shall:

1. Assist the ~~applicant~~ Applicant in completing the application form;
2. ~~Witness the signature of the applicant or the applicant's authorized representative;~~
- 3.2. Discuss how the ~~applicant~~ Applicant and the other ~~assistance unit~~ Assistance Unit members previously met ~~their~~ the needs of the Assistance Unit, and why ~~they~~ the Applicant and other Assistance Unit members now need financial assistance;
- 4.3. Provide the ~~applicant~~ Applicant with ~~written~~ information explaining:
 - a. The terms, conditions, and obligations of the CA program, including the requirement that the ~~applicant~~ Applicant obtain and provide a Social Security ~~number~~ Number to the Department only for each person for whom CA is requested;
 - b. Any additional verification information as prescribed in R6-12-205 Subsection ~~(A)(D)~~ which ~~that~~ the ~~applicant~~ Applicant ~~must~~ shall provide for the Department to conclude the eligibility evaluation;
 - c. The Department's practice of ~~exchanging~~ obtaining eligibility and income information through the State Verification and Exchange System (SVES);
 - d. The coverage and scope of the CA program, and related services which may be available to the ~~applicant~~ Applicant, including child care benefits;
 - e. The ~~applicant's~~ Applicant rights, including the right to ~~appeal adverse action~~ Appeal an Adverse Action; and
 - f. ~~The AHCCCS enrollment process;~~

- ~~g.f.~~ The requirement to report ~~all~~ changes ~~within 10 calendar days from the date the change becomes known~~ as specified in either the Simplified Change Reporting process or the Standard Change Reporting process as described in R6-12-902 that is assigned to the Assistance Unit and the potential sanctions for failure to timely report changes, including loss of Earned Income Disregards.
- ~~h.~~ ~~The family planning services available through AHCCCS health plans;~~
- 5.4. Review the penalties for perjury and fraud, as printed on the application;
- 6.5. Explain to the ~~applicant~~ Applicant:
- a. ~~Who shall~~ Persons residing in the home who are required be included in the ~~family~~ Family for the ~~purpose of determining whether the assistance unit resides in~~ to determine if the Family is considered a needy family Needy Family;
 - b. ~~Which family~~ Family members ~~may~~ who are to be included in the ~~assistance unit~~ Assistance Unit;
 - c. ~~Which family~~ Family member's ~~members~~ income and resources shall be considered available to who are not required to be included in the assistance unit Assistance Unit but may be included at the option of the Applicant; and
 - d. Which ~~family~~ Family member the applicant may include as an optional ~~member of~~ member's income and Resources are considered available to the assistance unit Assistance Unit for the purposes of determining eligibility for, and the amount of, a CA grant.

- 7.6. Review any verification information already provided;
- 8.7. Explain the ~~applicant's~~ Applicant's duties to:
- a. Cooperate with the Division of Child Support Services (DCSS) in establishing paternity and enforcing ~~support obligations~~ Support Obligations, unless the ~~applicant~~ Applicant can show good cause for not doing so;
 - b. Transmit to the Department any ~~support~~ Support payments the ~~applicant~~ Applicant receives for a Dependent Child for whom CA is being provided after the date the ~~applicant~~ Applicant is approved to receive CA; and
 - c. Participate in the ~~Job Opportunities and Basic Skills Training (JOBS) program~~ Jobs Program, unless the ~~applicant~~ Applicant or ~~recipient~~ Recipient is determined to be exempt from such participation; and
9. ~~Photograph the applicant for identification purposes;~~
10. ~~Review all ongoing reporting requirements, and the potential sanctions for failure to make timely reports, including loss of disregards; and~~
- 11.8. Inform the ~~applicant~~ Applicant of the opportunity to set aside funds in an ~~individual development account~~ Individual Development Account as prescribed in ~~R6-12-404~~ R6-12-405 for educational or training purposes.
- ~~D. When the applicant misses a scheduled appointment for an interview, the Department shall schedule a second interview for later that same day, or for another day, only if the applicant so requests before close of business on the day of the missed appointment.~~

~~E. The Department shall deny the application when the applicant fails to request a second appointment as provided in subsection (D) or when the applicant misses a second scheduled appointment.~~

R6-12-205. Verification of Eligibility Information

- A. The Department shall obtain independent verification or corroboration of information provided by the ~~applicant~~ Applicant, ~~recipient~~ Recipient, or ~~family~~ Family member when required by law, or when necessary to determine eligibility or ~~benefit~~ Benefit level.
- B. The Department may verify or corroborate information by any reasonable means including:
1. Contacting third parties, such as employers;
 2. Making a scheduled home ~~visits~~ visit ~~as provided in R6-12-206~~;
 3. Asking the ~~applicant~~ Applicant, ~~recipient~~ Recipient, or ~~family~~ Family member to provide written documentation, such as billing statements or pay stubs; and
 4. Conducting a computer data match through SVES.
- C. The ~~applicant~~ Applicant, ~~recipient~~ Recipient, or ~~family~~ Family member has the primary responsibility for providing all required verification. The Department shall offer to assist an ~~applicant~~ Applicant, ~~recipient~~ Recipient, or ~~family~~ Family member who has difficulty in obtaining the verification and requests help.
- D. An ~~applicant~~ Applicant, ~~recipient~~ Recipient, or ~~family~~ Family member shall provide the Department with all requested verification within 10 calendar days from the notice date of a written request for such information. When an ~~applicant~~ Applicant,

~~recipient~~ Recipient, or ~~family~~ Family member does not timely comply with a request for information, the Department shall deny the application as provided in R6-12-209 208(B).

E. The application form shall contain a notice to advise the ~~applicant~~ Applicant that the Department may contact third parties for information. The ~~applicant's~~ Applicant's signature on an application is deemed consent to such contact.

~~R6-12-206. Home Visits~~ Repealed

~~A. The Department shall schedule a home visit:~~

- ~~1. When it reasonably believes that such a visit will avoid an eligibility determination error; or~~
- ~~2. To conduct an initial interview or an eligibility review when a homebound applicant or recipient so requests.~~

~~B. The Department shall mail the applicant or recipient written notice of a scheduled home visit at least 7 days before the date of the visit.~~

~~C. The Department may deny or terminate benefits if the applicant or recipient is not home for a scheduled visit for:~~

- ~~1. An initial interview and has not timely rescheduled the visit pursuant to R6-12-203(D); or~~
- ~~2. A 6-month review interview and has not timely rescheduled the visit pursuant to R6-12-210(D).~~

~~D. The Department may conduct unscheduled visits to gather information or to verify information previously provided by an applicant or recipient. The Department shall~~

~~not deny an application or terminate assistance if the applicant or recipient is not home for an unscheduled visit.~~

~~R6-12-207~~R6-12-206. Withdrawal of Application

- A. An ~~applicant~~ Applicant may withdraw an application at any time before the Department completes an eligibility determination by requesting a withdrawal from the Department either orally or in writing.
- B. If an ~~applicant~~ Applicant orally asks to withdraw an application the Department shall:
 - 1. Document the names of persons and type of ~~benefits~~ Benefits or services the ~~applicant~~ Applicant wishes to withdraw, and
 - 2. Deny the application and notify the ~~applicant~~ Applicant.
- C. A withdrawal is effective as of the date of application.
- D. When an application is withdrawn, an ~~applicant~~ Applicant ~~must~~ shall file a new application to restart the application process.

~~R6-12-208~~R6-12-207. Death of an Applicant

- A. If an ~~applicant~~ Applicant dies while the application is pending, the Department shall deny the application and inform the person responsible for the ~~dependent child~~ Dependent Child that a new application may be filed.
- B. If the new application is filed within 45 days from the date of the original application, and the child is found eligible, the Department shall pay ~~benefits~~ Benefits for the child from the date of the original application filed by the deceased Applicant. If eligible, the new ~~applicant~~ Applicant shall receive ~~benefits~~ Benefits from the date of the new application.

~~R6-12-209~~R6-12-208. Processing the Application; Denials; Approval

- A. The Department shall complete the eligibility determination within 45 calendar days of the application file date, unless:
1. The application is withdrawn;²
 2. The application is rendered moot because the ~~applicant~~ Applicant has died or cannot be located;² or
 3. There is a delay resulting from a Department request for additional verification information as provided in R6-12-205.
- B. The Department shall deny an application when the ~~applicant~~ Applicant fails to:
1. Complete the application and an eligibility interview, as described in ~~R6-12-203~~ R6-12-204;
 2. Submit all required verification information within 10 days of the notice date of a written request for such verification; or
 3. Cooperate during the application process as required by R6-12-302.
- C. When an ~~assistance unit~~ Assistance Unit satisfies all eligibility criteria, the Department shall compute a ~~benefit~~ Benefit amount, approve the application, and send the ~~applicant~~ Applicant an approval notice. The approval notice shall include the amount of assistance and an explanation of the ~~assistance unit's appeal~~ Assistance Unit's Appeal rights.
- ~~D. The Department shall process an application for the purpose of determining medical assistance eligibility pursuant to R9-22-101 et seq.~~

~~R6-12-210~~R6-12-209. Six-month Eligibility Review

- A. The Department shall complete a review of all eligibility factors for each ~~assistance unit~~ Assistance Unit at ~~least once every six months~~ the following intervals; ~~beginning with the sixth month following the first month of CA eligibility.~~
1. At least once every six months; or
 2. At least once every 12 months for the following:
 - a. Child Only Cases.
 - b. Kinship Care CA cases.
 - c. Cases in which the Head of Household is the Parent of all the Dependent Child Assistance Unit members and is excluded from CA as an SSI Recipient.
 - d. Cases in which both Parents of all the Dependent Child Assistance Unit members reside in the home and both Parents are excluded from CA as SSI Recipients.
- B. At least 30 days prior to the ~~six-month review date~~ expiration of the approval period, the Department shall mail the ~~recipient~~ Assistance Unit a notice advising of the need for ~~a an~~ an eligibility review and instructions for completing the review requirement. ~~In response to such notice~~ To initiate the eligibility review, the recipient Assistance Unit shall file a request for a six-month review submit an application as prescribed in R6-12-202 and interview by the date specified on the notice.
- C. The Department shall ~~schedule and~~ conduct a review interview in the same manner as an initial interview as prescribed in R6-12-204.
- D. ~~When the recipient misses a scheduled appointment for a six month review interview, the~~

~~Department shall schedule a second interview if the recipient so requests within 10 days of the missed appointment.~~

~~E. The Department shall terminate benefits when the recipient fails to request a second appointment as prescribed in subsection (D), or when the recipient misses a second scheduled appointment without good cause. Good cause shall include the following circumstances:~~

- ~~1. Lack of transportation on the day of the appointment,~~
- ~~2. Illness, or~~
- ~~3. Serious injury or accident involving an assistance unit member.~~

~~F.D. The Department shall verify the income of the ~~needy family~~ Needy Family and the ~~assistance unit's~~ Assistance Unit's ~~resources~~ Resources and income and any eligibility factors that have changed or are subject to change, or are questionable. ~~The Department may verify other factors if Department experience suggests the need for additional verification.~~ Questionable information includes information that is inconsistent with:~~

1. Other information that is currently being provided.
2. Information provided on previous applications.
3. Documentation already contained in the Case Record, or
4. Information received by the Department from a third Party.

~~R6-12-211~~R6-12-210. Reinstatement of Benefits

A. If the Department has terminated payment of ~~benefits~~ Benefits to an ~~assistance unit~~ Assistance Unit, the Department shall not reinstate ~~benefits~~ Benefits unless the ~~recipient~~ Recipient files a new application and has a new interview.

B. Notwithstanding subsection (A), the Department shall reinstate ~~benefits~~ Benefits within 10 calendar days when:

1. Termination was due to Department error;
2. The Department receives a court order or ~~administrative hearing~~ Hearing decision mandating reinstatement; or
3. The ~~recipient~~ Recipient, Head of Household, or representative files a timely request for ~~fair hearing~~ a Hearing as provided in ~~R6-12-1002~~ R6-12-1004 ~~within 10 days of the notice date of the termination notice~~ or requests a Hearing any time prior to the effective date of the Adverse Action, unless the request is for continuance of benefits past the 36-month limit in R6-12-318, the 60-month limit in R6-12-320, or the six-month limit in R6-12-611 subject to the exceptions under R6-12-1005(A)(1-3).

C. When the Department reinstates ~~benefits~~ Benefits to a ~~recipient~~ Recipient who missed ~~a six-month~~ an eligibility review due to the termination of ~~benefits~~ Benefits, the Department shall conduct the review at the earliest opportunity following reinstatement.

ARTICLE 3. NON-FINANCIAL ELIGIBILITY CRITERIA

~~R6-12-301. Non-financial Eligibility Criteria~~ Repealed

~~To qualify for CA, a person shall satisfy all applicable criteria set forth in this Article.~~

R6-12-301. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Abuse”</u>	<u>A.R.S. § 8-201</u>
<u>“Adverse Action”</u>	<u>R6-12-101(B)</u>
<u>“Alien Registration Number”</u>	<u>R6-12-101(B)</u>
<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit” or “Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit Month”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Countable Income”</u>	<u>R6-12-101(B)</u>
<u>“Countable Payment”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>A.R.S. § 46-101</u>
<u>“Division of Child Support Services” or “DCSS”</u>	<u>R6-12-101(B)</u>
<u>“Emotional Harm”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Family Benefit Cap Period”</u>	<u>R6-12-101(B)</u>
<u>“Grant Diversion” or “Grant Diversion Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“Grant Diversion Payment Period”</u>	<u>R6-12-1401(B)</u>
<u>“Hardship”</u>	<u>R6-12-101(B)</u>

<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>
<u>“Legal Permanent Guardian”</u>	<u>R6-12-101(B)</u>
<u>“Minor Parent”</u>	<u>R6-12-101(B)</u>
<u>“Native Employment Works Program”</u>	<u>45 CFR. 287.10</u>
<u>“Needy Family”</u>	<u>R6-12-101(B)</u>
<u>“Neglect”</u>	<u>A.R.S. § 8-201</u>
<u>“Nonparent Relative”</u>	<u>R6-12-101(B)</u>
<u>“Personal Responsibility Agreement</u>	<u>R6-12-101(B)</u>
<u>“Physical or Mental Impairment”</u>	<u>R6-12-101(B)</u>
<u>“Qualified Health Professional”</u>	<u>R6-12-101(B)</u>
<u>“Qualified Noncitizen”</u>	<u>8 U.S.C. 1641</u>
<u>“Simplified Change Reporting”</u>	<u>R6-12-101(B)</u>
<u>“Standard Change Reporting”</u>	<u>R6-12-101(B)</u>
<u>“Support” or “Support Obligation”</u>	<u>R6-12-101(B)</u>
<u>“Unwed Minor Parent”</u>	<u>R6-12-101(B)</u>
<u>“Work Eligible Individual”</u>	<u>R6-12-101(B)</u>

R6-12-302. Applicant and Recipient Responsibility

A. An ~~applicant~~ Applicant for, or ~~recipient~~ Recipient of, assistance shall cooperate with the Department as a condition of initial and continuing eligibility. The ~~applicant~~ Applicant or ~~recipient~~ Recipient shall:

1. Give the Department complete and truthful information;
2. Inform the Department of all changes ~~in income, assets, or other circumstances of~~ the assistance unit affecting eligibility or the amount of the assistance payment as specified in either the Simplified Change Reporting process or the Standard Change Reporting process as described in R6-12-902 that is assigned to the Assistance Unit within 10 days from the date the change becomes known the time frames required by the change reporting method assigned to the Assistance Unit; and

3. Comply with all the Department's procedural requirements.

B. The Department ~~may~~ shall deny an application for assistance, or reduce or terminate ~~benefits~~ Benefits in an active case, ~~or change the manner of payment~~, if the ~~applicant~~ Applicant or ~~recipient~~ Recipient fails or refuses to cooperate without good cause, which includes circumstances beyond the Applicant's reasonable control, such as illness of the Applicant or another Family member requiring the presence of the Applicant, or a Household emergency.

C. ~~However, the~~ The Department shall not impose ~~such~~ sanctions for failure to comply with a procedural requirement ~~about which~~ that the Department has not advised the ~~applicant~~ Applicant or ~~recipient~~ Recipient about in writing.

ED. As a condition of eligibility, ~~except in a child only case~~, the Department shall require the ~~parent~~ Parent or NPCR Head of Household, or both Parents in the TPEP component, to sign a Personal Responsibility Agreement ~~when the parent or NPCR applies for benefits for a dependent child~~ except in the following cases:

1. An NPCR or unrelated adult Head of Household in a Child Only Case;
2. An NPCR Head of Household who is applying for or receiving CA only on behalf of an eligible Dependent Child; or
3. A Parent Head of Household who is excluded from CA due to receipt of SSI Benefits.

~~D.E.~~ The Department shall inform ~~the each parent~~ Parent or NPCR who signs a Personal Responsibility Agreement that the signature acknowledges that:

1. The ~~parent~~ Parent or NPCR is aware of and agrees to the statements in the Personal Responsibility Agreement regarding:
 - a. Preparing for and accepting employment to achieve self-sufficiency;
 - b. Ensuring school attendance by all school-age children;
 - c. Maintaining current immunizations for all ~~dependent child~~ Dependent Children; and
 - d. Not voluntarily terminating employment without good cause;
 - e. Not illegally selling, possessing, or using a controlled substance; and
 - d.f. Cooperating with all rules and requirements of the Family Assistance Administration, ~~JOBS~~ the Jobs Program, ~~and~~ the Child Care Administrations and ~~of~~ the Division of Child Support Services.
2. As prescribed in R6-12-316(A) and (B), noncompliance with the Personal Responsibility Agreement shall result in a grant reduction, a grant termination, or, specific to the TPEP component, the withholding of a payment or case closure as prescribed in R6-12-316(D).

2.3. The ~~parent~~ Parent or NPCR agrees to the ~~statement of personal responsibility~~ Personal Responsibility Agreement on behalf of all other current and future members of the ~~assistance unit~~ Assistance Unit.

~~E.F.~~ The Department shall inform the ~~parent~~ Parent or NPCR at the interview that failure to sign the Personal Responsibility Agreement will result in denial of CA ~~benefits~~ Benefits.

R6-12-303. Application for Other Potential Benefits

As a condition of eligibility, an ~~assistance unit~~ Assistance Unit member and any person whose income is considered available to the ~~assistance unit~~ Assistance Unit shall apply for all other cash ~~benefits~~ Benefits for which the person may be eligible, except SSI.

R6-12-304. Residency

A. ~~To qualify for CA, a person~~ The Department shall issue ~~cash assistance~~ CA ~~be an~~ only to an Assistance Unit in which all members are Arizona residents.

B. An Arizona resident is a person who:

1. ~~Voluntarily resides~~ Resides and intends to make a permanent home in Arizona;~~;~~
2. Lives in Arizona at the time of making application;~~;~~ and
3. Is not receiving public assistance from another state.

~~C. A person terminates Arizona residency by:~~

- ~~1. Leaving Arizona for more than 30 consecutive days, or~~
- ~~2. Leaving Arizona with the intent to live elsewhere.~~

~~D. The dependent child of a caretaker relative who is an Arizona resident is deemed an Arizona resident.~~

~~E.C.~~ The Department shall verify the Arizona residency status of each person in the Assistance Unit. When CA is requested for a Dependent Child who is temporarily absent from the Applicant's home, the Dependent Child shall be considered an Arizona resident and included in the Assistance Unit when the Dependent Child is:

1. Expected to return to the home within 30 days of the date the first CA payment is issued, and
2. Not an inmate in a penal facility that is providing all of the Dependent Child's basic needs.

R6-12-305. Citizenship and Alienage

A. To qualify for CA, an ~~assistance unit~~ Assistance Unit member shall be a United States citizen or a ~~noncitizen legal alien~~ Qualified Noncitizen ~~who satisfies the requirements of PRWORA Section 431 and who meets eligibility requirements of PRWORA Section 402, not including any later amendments or editions, which are incorporated by reference and are available for inspection at the Department of Economic Security, 1789 West Jefferson, Phoenix, Arizona, and the Office of the Secretary of State, 1700 West Washington, Phoenix, Arizona.~~

B. The Department shall verify the United States citizenship status and the legal alienage immigration status of ~~assistance unit~~ Assistance Unit members for whom CA is requested ~~by obtaining a person's alien registration documentation, or other proof of immigration registration, from the U.S. Immigration and Naturalization Service (INS), or by submitting a person's alien registration number and other related information to the~~

~~FNS.~~ To verify the immigration status of a Noncitizen Assistance Unit member for whom CA is requested:

1. The Assistance Unit shall provide the Department the Alien Registration Number issued by the Department of Homeland Security/United States Citizenship and Immigration Services or its predecessor; and

2. The Department shall obtain verification of the immigration status from the Department of Homeland Security/United States Citizen and Immigration Services by utilizing the automated Systematic Alien Verification for Entitlements program.

~~C.~~ ~~A sponsor's income and resources shall not be included when determining income eligibility for a family or a cash benefit amount for the assistance unit when a lawful permanent resident noncitizen member of an assistance unit and any lawful permanent resident noncitizen whose income is considered available to the assistance unit verifies 40 quarters of employment history.~~

~~D.C.~~ ~~An ineligible noncitizen may serve as payee for the eligible members of an assistance unit, but the~~ The Department shall exclude the needs of the ineligible noncitizen Noncitizen from the assistance grant. However, an ineligible Noncitizen may serve as the primary payee under R6-12-801.

R6-12-306. Eligible Persons

A. To qualify for CA, an otherwise eligible person shall be:

1. ~~A dependent child~~ Dependent Child under 18 years of age;

2. A ~~dependent child~~ Dependent Child age 18 ~~and, as provided in R6-12-314,~~ who is a full time ~~student~~ Student in a secondary school, or the equivalent level of vocational or technical training school, and is reasonably expected to complete such education or training before turning age 19 or in the month they turn age 19;
- a. The Department shall consider a high school, secondary school, or vocational or technical school Student to be a full-time Student when the Student meets the enrollment and attendance requirements that the school defines as full time.
 - b. The Department shall verify school attendance through school records establishing full-time status and the expected date of the completion of the Student's course of study.
 - c. A Dependent Child age 18 who is a Supplemental Security Income (SSI) Recipient and is a Student, shall continue to be a Dependent Child until the child reaches the age of 19, regardless of the expected date of the completion of the course of study.
3. The ~~parent~~ Parent of an eligible CA child; or
4. A ~~non-parent caretaker relative~~ NPCR of an eligible CA child when:
- a. The ~~parent~~ Parent of the ~~dependent child~~ Dependent Child:
 - i. Does not live ~~in with~~ with the ~~NPCR's home~~ NPCR,
 - ii. Lives with the NPCR but is also a ~~dependent child~~ Dependent Child, or
Child, or

- iii. Lives with the NPCR but cannot function as a ~~parent~~ Parent due to a ~~physical or mental impairment~~ Physical or Mental Impairment;
 - b. The NPCR provides the ~~dependent child~~ Dependent Child with physical care, support, guidance, and control; and
 - c. The ~~dependent child~~ Dependent Child resides with the NPCR.
- B.** If otherwise eligible, the CA ~~assistance unit~~ Assistance Unit shall include the following persons, residing together, who are related to a ~~dependent child~~ Dependent Child for whom the ~~applicant~~ Applicant requests assistance:
- 1. Any natural or adoptive ~~parent~~ Parent, and
 - 2. Any natural or adopted minor brother or sister.

R6-12-307. Social Security Number

- A.** To qualify for CA, an ~~assistance unit~~ Assistance Unit member for whom CA Benefits are requested shall furnish a Social Security ~~number~~ Number (SSN). If a member of an ~~assistance unit~~ Assistance Unit lacks an SSN, the Department shall assist the person in applying for an SSN through procedures established between the Department and the United States Social Security Administration (SSA).
- B.** The Department shall obtain verification of Social Security ~~numbers~~ Numbers through ~~contact~~ a computer match with the SSA.

R6-12-308. Family Benefit Cap

- A.** Effective November 1, 1995 the Department shall assign a Family Benefit Cap Period to:
- 1. A Parent residing with an eligible Dependent Child, and

~~2. An adult NPCR who is included in the cash grant with an eligible Dependent Child.~~

- B.** A Family Benefit Cap Period shall begin effective the first month for which the CA application is approved and shall remain in effect for the 60 consecutive month period regardless of any change in the eligibility status of the Assistance Unit or the person assigned the Family Benefit Cap Period. When the Family Benefit Cap Period expires, the Department shall assign a new Family Benefit Cap Period effective the first month for which CA is issued for the Assistance Unit.

~~A.C~~ The Department shall not provide CA to a child who is born during a Parent's Family Benefit Cap Period, except as provided in subsection (~~E D~~); ~~born during a month when:~~

- ~~1. The parent or non-parent caretaker relative is receiving CA or supportive services,~~
~~or~~
- ~~2. The child is born to a parent who is ineligible for CA benefits due to noncompliance or failure to meet an eligibility requirement.~~

~~B.~~ ~~A child born during any period of time specified in subsection (A) is ineligible for CA for a 60-consecutive-calendar-month period.~~

~~E.D.~~ An ~~assistance unit~~ Assistance Unit may receive CA ~~benefits~~ Benefits for a child who would otherwise be excluded under subsection (~~A C~~) if:

1. The child is born within 10 calendar months of ~~an initial CA eligibility determination~~ the first month of the first Family Benefit Cap Period assigned to the child's Parent;

2. The ~~parent~~ Parent has not received CA ~~or supportive services~~ for a minimum of 12 consecutive months, and the child is born:
 - a. No earlier than the 22nd month after the ~~parent left~~ last month for which a CA payment was issued; and
 - b. No later than the end of the 10th month after the ~~parent~~ Parent returns to CA;
3. The child is the firstborn of a ~~dependent child~~ Dependent Child who is included in a CA ~~or supportive services assistance unit~~ Assistance Unit; or
4. The child is born as a result of an act of sexual assault or incest and the ~~applicant~~ Applicant or ~~recipient~~ Recipient meets the following requirements:
 - a. The ~~applicant~~ Applicant or ~~recipient~~ Recipient shall file a written statement with the Department to certify that a child was conceived as a result of sexual assault or incest and shall provide supporting verification.
 - b. Acceptable verification includes:
 - i. Medical or law enforcement records in cases of sexual assault or incest; or
 - ii. Birth certificate or Bureau of Vital Statistics Records in cases of incest.
 - c. The Department shall accept the written statement of the ~~applicant~~ Applicant or ~~recipient~~ Recipient as verification of sexual assault or incest when the ~~applicant~~ Applicant or ~~recipient~~ Recipient is unable to provide evidence to support the claim of sexual assault or incest.

- d. ~~The~~ FAA shall report allegations of sexual assault or incest to the Office of Special Investigations and, if the ~~parent~~ Parent is a minor, to ~~Child Protective Services~~ the Department of Child Safety. The Department shall not disclose the name, address, and any information concerning the sexual assault or incest to any person except those persons who require the information to investigate the allegations.
5. The child is in the legal custody of the Arizona Department of Child Safety, an Arizona tribal court, or an Arizona tribal Child Welfare Agency and is placed in unlicensed kinship foster care with a Nonparent Relative or unrelated adult.
6. The child meets any of the following:
- a. A court has placed the child with a Nonparent Relative;
- b. The child's Parents are deceased, or one Parent is deceased and the other Parent has abandoned the child, and the child is living with a Nonparent Relative; or
- c. A Nonparent Relative has custody of the child because the child is abandoned as defined in A.R.S. § 8-201.
- ~~D.E.~~** An ~~assistance unit~~ Assistance Unit or ~~family~~ Family that includes a child who is ineligible due to the provisions of this Section may earn income up to the incremental ~~benefit~~ Benefit increase the ~~assistance unit~~ Assistance Unit would otherwise receive for the ineligible child without any adverse effect on the amount of ~~countable income~~

Countable Income that is used to determine income eligibility or the ~~cash-benefit~~ Cash Benefit amount. The Department shall disregard such income.

1. The disregard shall equal the difference between the ~~benefit~~ Benefit amount with the needs of the ineligible child included in the ~~benefit~~ Benefit computation and the ~~benefit~~ Benefit amount with the needs of the ineligible child excluded from the ~~benefit~~ Benefit computation.
2. The Department shall apply the disregard after all other ~~earned income disregards~~ Earned Income Disregards specified at ~~R6-12-703~~ R6-12-704 are first deducted.

~~E.F.~~ The Department shall ~~not include a child who is ineligible for CA due to the provisions of this Section in the assistance unit's standard of need and shall not count~~ exclude the income and ~~resources~~ Resources of the ~~ineligible a child who is ineligible for~~ CA due to the provisions of this Section available to the assistance unit when determining the income of the Assistance Unit.

~~F.G.~~ A child who is ineligible for CA due solely to the provisions of this Section may receive the following services, if otherwise eligible:

- ~~1.~~ AHCCCS,
- ~~2.~~ JOBS,
- ~~3~~ 1. Child care~~es~~ and
- ~~4~~ 2. Any other program or service for which CA ~~recipients~~ Recipients categorically qualify.

~~G.H.~~ ~~A~~ ~~An otherwise eligible parent~~ Parent or NPCR may receive CA for ~~himself or herself~~ the eligible Parent or NPCR when the only ~~dependent child~~ Dependent Child in the home is ineligible for assistance due to the provisions of this Section.

R6-12-309. Relationship

A. To qualify for CA, a ~~dependent child~~ Dependent Child shall reside with at least one of the following ~~specified relatives~~ Caretaker Relatives:

1. A natural or adoptive parent ~~parent~~ Parent;
2. A sibling;
- ~~2~~ 3. A stepmother, stepfather, stepbrother, or stepsister;
- ~~3~~ 4. A person who is related by blood, adoption, or marriage ~~within the fifth degree of kinship~~ to the ~~dependent child~~ Dependent Child, including: grandmother, grandfather, ~~brother, sister~~, uncle, aunt, first cousin, first cousin once removed, nephew, niece, persons of preceding generations as denoted by prefixes “grand,” “great,” or “great-great,” and great-great-great grandparents, ~~and first cousins once removed~~;
- ~~4~~ 5. A spouse of any person named in the above groups, even if the marriage has been terminated by death;
- ~~5~~ 6. A ~~legal permanent guardian~~ Legal Permanent Guardian who is appointed ~~pursuant to A.R.S. § 8-872~~ by any court during a dependency Hearing or dependency proceeding; or

6.7. An unrelated adult only when the child is in the legal custody of the Department of Child Safety, a tribal court or a tribal Child Welfare Agency located in this state and placed in a unlicensed kinship foster care ~~home or~~ with the unrelated adult.

B. The Department shall not determine a child or NPCR ineligible solely ~~for any of the following reasons~~ because:

1. The ~~dependent child~~ Dependent Child is under the jurisdiction of a court;
2. An agency or individual unrelated to the child has legal custody of the child; or
3. The ~~dependent child~~ Dependent Child, or the child's ~~parent~~ Parent or NPCR, is temporarily absent from the child's home because:
 - a. The child is making a court-ordered visit to a non-custodial ~~parent~~ Parent for a period not to exceed three consecutive months;
 - b. The child is visiting a ~~parent~~ Parent who has a legal order awarding joint custody of the child, and the child resides with the ~~parent~~ Parent who is part of the child's ~~assistance unit~~ Assistance Unit for the entire calendar month;
 - c. The child is living in a Department-licensed shelter ~~which~~ that does not receive funding under Title IV-A or IV-E of the Social Security Act, and the child is expected to return to the home within 30 days of issuance of the first ~~benefit~~ Benefit payment;
 - d. During the month for which ~~benefits~~ Benefits are sought, the child is entering or leaving foster care funded by other than Title IV-E of the Social Security Act;

- e. The child is temporarily hospitalized;
 - f. The child is visiting friends or other relatives for a period not to exceed three consecutive months; or
 - g. The child is attending school but returns home at least once ~~a year~~ every six months.
- C. The Department shall verify the requisite degree of relationship between the child and the child's ~~parent~~ Parent or NPCR.

R6-12-310. Deprivation

- A. No child shall receive CA unless the child is deprived of parental support or care due to the continued absence, death, ~~incapacity~~ Physical or Mental Impairment, or unemployment or underemployment of the child's ~~parent~~ Parent.
- B. A child ~~suffers deprivation by~~ is deprived of Parental support due to continued absence when:
- 1. The child's natural or adoptive ~~parent~~ Parent is out of, or expected to be out of, the home for a minimum of 30 continuous days;
 - 2. The absence interrupts or terminates the ~~parent's~~ Parent's ability to provide maintenance, physical care, or guidance to the child; and
 - 3. The duration of the absence prevents the child from relying on the absent ~~parent~~ Parent for support or care.
- C. When the conditions listed in subsection (B) are met, the situations listed in this subsection may constitute deprivation by continued absence.
- 1. A ~~parent~~ Parent is absent due to ~~involuntary~~ hospitalization, incarceration, or

deportation.

2. A ~~parent~~ Parent is a convicted offender who is living in the home while serving a sentence of unpaid public or community service; however, such ~~parent~~ Parent shall not be considered part of the ~~assistance unit~~ Assistance Unit for computation of the grant. The Department shall consider the ~~parent~~ Parent to be out of the home for the purpose of deprivation.
3. A single ~~parent~~ Parent has adopted a child.
4. The child's mother and ~~putative father~~ Putative Father both dispute paternity, and there is no documentation to substantiate paternity.
5. The ~~parents~~ Parents have joint legal or physical custody of the child, but the child resides with ~~+~~ one parent Parent more than 50% of the time.

D. ~~When a child satisfies the conditions set forth in subsection (B), the~~ The following circumstances shall not automatically preclude a finding of deprivation due to continued absence:

1. A stepparent, ~~substitute parent, parental co-habitant, or person~~ an adult other than the child's ~~parent~~ Parent resides in the child's home;
2. ~~The child's home is considered unsuitable because of neglect, abuse, or exploitation;~~
3. ~~The parent or NPCR refuses to cooperate with the Department regarding child support enforcement or collection activities;~~
4. ~~2.~~ The absent ~~parent~~ Parent visits the child; or

~~5.3.~~ The ~~mother and father~~ Parents of the child have some form of on-going contact or relationship.

E. The circumstances listed in this subsection do not constitute deprivation by continued absence.

1. The ~~parent~~ Parent is voluntarily absent to visit friends or relatives, to seek employment, to maintain a job, to attend school or training, so long as the ~~parent~~ Parent in the home and the absent ~~parent~~ Parent do not regard themselves as separated.

2. The ~~parent~~ Parent is absent solely to serve active military duty.

3. The ~~parents~~ Parents maintain separate dwellings but consider themselves part of a single home or ~~family~~ Family unit.

4. One ~~parent~~ Parent is deliberately absent from home in order to qualify the remaining ~~family~~ Family members for ~~benefits~~ Benefits.

F. A child is deprived of parental support if either ~~parent~~ Parent of the child is deceased and the child has not been adopted. ~~The applicant or recipient shall provide the Department with documentation verifying a death.~~

G. A child is deprived of Parental support if either ~~parent~~ Parent residing with the child has a Physical or Mental Impairment that substantially decreases or eliminates the Parent's ability to support or care for the child, and is expected to last for a minimum of 30 days.

~~1. Substantially decreases or eliminates the parent's Parent's ability to support or care for the child, and~~

2. ~~Is expected to last for a minimum of 30 days.~~
- 3.1. The Applicant or Recipient shall provide the Department with verification of the illness or impairment status that includes:
- a. A medical statement from a Qualified Health Professional. The statement shall include:
 - i. A diagnosis that the person has a physical or mental illness or impairment that substantially limits the person from working, and
 - ii. The expected duration of the illness or impairment or a date for re-evaluation of the illness or impairment.
- 4.2. The Department shall not require further verification when the Applicant provides verification that:
- a. The SSA has determined that the ~~parent~~ Parent is eligible for Social Security Disability Insurance ;
 - b. The SSA has determined that the parent is eligible for SSI due to blindness or disability;
 - c. The Veteran's Administration has determined that the parent has a disability rated as total or paid as total;
 - d. The parent's Qualified Health Professional has released the person from the hospital and imposed work restrictions for a specified recuperation period;

- e. The parent's employer or Qualified Health Professional has required the parent to terminate employment due to the onset of a disability and the Qualified Health Professional has specified a recuperation period;
- f. The parent's Qualified Health Professional has determined that the parent is capable of employment only in a sheltered workshop, for a specified period of time, and the parent is so employed; or
- g. A prior certification of disability is in the parent's Case Record and is still valid to cover the period in which assistance is requested and will be received.

H. A child is deprived of parental support when the primary wage earning ~~parent~~ Parent is unemployed or underemployed if the ~~assistance unit~~ Assistance Unit meets all the requirements set forth in ~~R6-12-609~~ R6-12-606.

R6-12-311. Assignment of Support Rights; Cooperation

- A. To qualify for CA, an ~~applicant~~ Applicant shall assign to the Department all rights to a ~~support obligation~~ Support Obligation from any other person the ~~applicant~~ Applicant or ~~recipient~~ Recipient may have ~~in on his or her own~~ the Applicant's or Recipient's behalf or ~~in on~~ on behalf of any other ~~family~~ Assistance Unit member for whom the ~~applicant~~ Applicant or ~~recipient~~ Recipient is applying for or receiving CA, including any unpaid ~~support obligation~~ Support Obligation or ~~support debt which that~~ that has accrued at the time the assignment is made.
- B. A refusal ~~by the Applicant to execute such an assignment to the Department is a~~ refusal to complete the application and shall result in denial of the CA application.

C. An ~~applicant~~ Applicant or ~~recipient~~ Recipient shall cooperate with the Department to obtain ~~support~~ Support ~~owing~~ owed to the ~~applicant~~ Applicant or ~~recipient~~ Recipient, unless there is good cause for noncooperation, as described in R6-12-312.

D. After being approved for CA, the ~~recipient~~ Recipient shall transmit all monetary ~~support~~ Support received to the Department.

E. At the time of the initial interview and at all review interviews, the Department shall explain:

1. The ~~applicant's~~ Applicant's ~~duty of~~ cooperation ~~requirements~~;
2. Good cause and how to establish it, ~~good cause~~;
3. The ~~duty~~ requirement to send the Department any Support received on behalf of an the assistance unit Assistance Unit member members receive;
4. The ~~consequences for breach of the duties~~ penalty for noncooperation with the requirements set forth in this Section.

F. ~~Cooperation shall include the actions listed in this subsection.~~

- ~~1. Identifying and locating the parent of a child for whom CA is requested.~~
- ~~2. Establishing the paternity of a child born out of wedlock, for whom CA is requested.~~
 - ~~a. The Applicant shall sign and complete an affidavit of paternity.~~
 - ~~b. The mother and father of a child may voluntarily acknowledge paternity in a signed, notarized statement.~~
- ~~3. Obtaining support payments, or other payments or property due the Applicant or recipient for the benefit of the child.~~

~~4. Appearing at a child support enforcement office when requested, to provide oral or written information or documentary evidence known to, possessed by, or reasonably obtainable by the Applicant or recipient.~~

~~5. Appearing as a witness at a judicial or administrative hearing or proceeding when requested.~~

~~6. Providing information, or attesting to the lack of information, when requested.~~

~~7. Paying to the Department any support payments received from the absent parent after the assignment of rights pursuant to subsection (A) has been made.~~

~~G.F. As a condition of eligibility, the Department shall require an Applicant who signs a Personal Responsibility Agreement under R6-12-302 (D) to cooperate with the DCSE. DCSE shall notify the Family Assistance Administration when the Applicant has complied with this requirement. If the applicant Applicant or recipient fails to cooperate comply with this requirement, as required by subsection (F) without good cause, the Department shall impose the penalties provided under R6-12-316 deny the application. For Recipients who fail to comply with the DCSE, the Department shall impose the penalties provided under R6-12-316.~~

R6-12-312. Good Cause for Non-cooperation with Child Support Services

A. An ~~applicant~~ Applicant or ~~recipient~~ Recipient may establish good cause for non-cooperation with the ~~Department~~ DCSS requirements to establish paternity, to establish a Support order, or to enforce an existing Support order. Good cause ~~when~~ exists if:

1. Cooperation is reasonably likely to result in physical or ~~emotional harm~~ Emotional Harm to the ~~dependent child~~ Dependent Child, the ~~parent~~ Parent in the home, or the NPCR, based on the factors identified in subsection (B);
2. Legal proceedings for adoption of the ~~dependent child~~ Dependent Child are pending before a court;
3. A public or private adoption entity is counseling the ~~applicant~~ Applicant regarding release of the ~~dependent child~~ Dependent Child for adoption, and such counseling has occurred for less than ~~3~~ three months; or

4. The ~~dependent child~~ Dependent Child was conceived as a result of incest or rape.

B. ~~As used in subsection (A)(1):~~

- ~~1. Physical harm means an impairment of the human body of a serious nature.~~
- ~~2. Emotional harm means an impairment that substantially affects the individual's ability to function.~~

C.B. In determining whether ~~emotional harm~~ Emotional Harm will result for the purpose of subsection (A)(1), the Department shall consider the following as verified by a Qualified Health Professional:

1. The emotional state and psychological history of the person likely to suffer ~~emotional harm~~ Emotional Harm,
2. The degree of cooperation required,
3. The extent of the individual's involvement in any cooperative efforts, and
4. The intensity and probable duration of the emotional impairment.

~~D.C.~~ An ~~applicant~~ Applicant or ~~recipient~~ Recipient shall provide evidence to verify good cause within 20 days of filing a claim of good cause, or upon approval of the application, whichever last occurs. ~~If The Department shall assist the applicant~~ Applicant or ~~recipient~~ Recipient ~~can establish difficulty~~ in obtaining verification when requested, and the Department ~~may~~ shall extend this time limit for up to 30 days or longer.

~~E.D.~~ Acceptable verification ~~shall be~~ is documentation ~~which that~~ establishes the claim of good cause ~~by a preponderance of evidence~~ and ~~may~~ shall include one or more of the following:

1. Birth certificate or Bureau of Vital Statistics Records in cases of incest;
2. Medical or law enforcement records in cases of sexual assault or incest;
3. Court records or other legal documents in cases of pending adoptions;
4. A written statement from a private or public adoption entity in cases of adoption counseling;
5. Court, medical, criminal, ~~Child Protective Services~~ Department of Child Safety, psychological, social services, or law enforcement records, in cases of physical or ~~emotional harm~~ Emotional Harm; ~~and or~~
6. Sworn statements from friends, neighbors, clergy, or other persons with personal knowledge of circumstances that would substantiate a claim of good cause.

~~F.E.~~ If the ~~applicant~~ Applicant or ~~recipient~~ Recipient is unable to provide the verification specified in subsection (E) above, the ~~applicant~~ Applicant or ~~recipient~~ Recipient shall furnish information ~~which that~~ permits the ~~Department's Office of Special Investigations~~ Department to investigate the good cause circumstances.

~~G.F.~~ The Department shall not deny, delay, or discontinue assistance pending a determination of good cause.

~~H.G.~~ The Department shall determine whether or not good cause exists within 45 days from the date the ~~applicant~~ Applicant or ~~recipient~~ Recipient makes the good cause claim. The Department may extend this time limit if additional time is required to verify the claim.

~~H.H.~~ If the Department finds that good cause does not exist, the ~~applicant~~ Applicant or ~~recipient~~ Recipient shall cooperate with the requirements of R6-12-311(F) within 10 days following the date the Department notifies the ~~applicant~~ Applicant or ~~recipient~~ Recipient of the good cause decision.

~~J.I.~~ The Department shall redetermine a claim of good cause;

1. At each ~~six-month~~ eligibility review, and
2. When circumstances change such that good cause no longer exists.

**R6-12-313. ~~Participation in JOBS~~ Jobs Program Referrals; Exemptions; Good Cause
Exceptions**

A. As a condition of eligibility, ~~a recipient of CA shall participate in the Job Opportunities and Basic Skills Training Program (JOBS) as prescribed in A.A.C. R6-10-101 through R6-10-121, unless FAA determines that the person is exempt.~~ except in the TPEP component, the following persons shall attend a Jobs Program Preliminary Orientation in person or by telephone with an FAA staff:

1. All members of the CA Assistance Unit that are required to participate in the Jobs Program;

~~2. A Parent who is disqualified from CA due to a felony drug conviction or due to a fleeing felon disqualification; and~~

~~3. The Parent of an Unwed Minor Parent Applicant, when residing in the same home.~~

B. ~~Upon approval of the CA application, FAA shall transmit a referral to the Jobs Program for a Parent who is disqualified from CA due to a felony drug conviction or due to a fleeing felon disqualification, the Parent of an Unwed Minor Parent Head of Household, when residing in the same home, and for all Assistance Unit members except for The the following Assistance Unit members that are exempt from Jobs Program participation:~~

~~1. A child who is under age 16, except for a custodial parent or pregnant girl age 13 through age 15 who lacks a high school diploma, or its equivalent, and is not enrolled in high school or an equivalent course of instruction; All Dependent Children including an 18 year old who meets the CA Student criteria. A Minor Parent that is the Head of Household or the spouse of the Head of Household is not exempt;~~

~~2. A child who is age 16 or age 17, or age 18 if reasonably expected to complete school before reaching age 19, and a full-time student at an elementary, secondary, vocational or technical school, so long as the educational or training program was not assigned as a JOBS activity;~~

~~3.2. A person who is currently employed at least 30 hours per week in unsubsidized employment which that pays at least the federal minimum wage and which that is~~

expected to last at least 30 days; ~~any interruption in such employment shall not exceed 10 days; and~~

~~4.3. A Native American~~ An enrolled tribal member who resides ~~in an~~ within the geographic area covered specified by a tribe in its ~~by a Tribal JOBS program Native Employment Works Program; and-~~

4. Members of an Assistance Unit that have opted to receive Grant Diversion, during each month of the Grant Diversion Payment Period under R6-12-1401.

C. Exempt status shall terminate when the condition giving rise to the exemption terminates.

D. If a ~~person~~ Work Eligible Individual fails or refuses to participate in ~~JOBS the Jobs Program~~ without good cause, the Department shall impose the penalties specified in R6-12-316.

R6-12-314. School Attendance

~~A. As used in R6-12-306(A)(2), full-time school attendance means:~~

- ~~1. For high school, attendance which the school defines as full time;~~
- ~~2. For a trade or technical school involving shop practice, 30 hours per week; and~~
- ~~3. For a trade or technical school involving no shop practice, 25 hours per week.~~

~~B. The Department shall verify school attendance through school records establishing full-time status and, for 18-year olds, expected date of graduation.~~

~~C.A.~~ The Department shall require each For each Dependent Child age 6 through 15 for whom a parent Parent or NPCR who is required to sign a Personal Responsibility Agreement under R6-12-302(D) to verify either full-time school attendance by the child

~~or full-time home schooling of the child when the parent or NPCR applies for or receives~~
CA on behalf of a dependent child, the Parent or NPCR shall ensure that the child is
enrolled in and attending school or is home schooled, unless there is good cause for not
cooperating with this requirement. Good cause means any of the following:

1. The Dependent Child has completed the high school course of study prescribed by
the State Board of Education for completion of grade 10;
2. The Dependent Child is enrolled in and attending a vocational or training program
that meets the educational standards established and approved by the Department
of Education;
3. The child is employed at a lawful wage earning occupation, and both of the
following apply:
 - a. The child is 15 years of age or older, effective beginning the month of the
child's 15th birthday, and
 - b. The employment is with the consent of the Parent or NPCR;
4. The child was suspended or expelled from a public school. When the child has
been suspended, good cause exists only when it has been established by the
school that the child has not been directed to participate in an alternative
education program;
5. The child is habitually truant as verified by the public school, and defined as five
or more unexcused absences during the school year;
6. The child has presented reasons to the public school for nonattendance that are
satisfactory to the school principal or the school principal's designee;

7. The child's physical or mental condition is such that either school attendance is prohibited or it is determined that school is not in the child's best interest; or

8. The Parent or NPCR attempts to re-enroll the child after the child has been dropped from the public school registrar, but it is verified by the school that it is too late in the school year.

~~D.B.~~ Acceptable verification shall include:

1. The ~~parent~~ Parent or NPCR's written statement;~~;~~
2. A statement from the school;~~;~~ or
3. A statement from the County Department of Education.

~~E.C.~~ If a ~~parent~~ Parent or NPCR Applicant fails to ~~verify compliance~~ comply with the school attendance requirements in this subsection, the Department shall deny the CA application ~~impose the penalties specified in R6-12-316.~~ For Recipients who fail to comply, the Department shall impose the penalties provided under R6-12-316.

R6-12-315. Immunization

A. The Department shall require each ~~parent~~ Parent or NPCR who is required to sign a Personal Responsibility Agreement under R6-12-302(D) to verify that the child is immunized in accordance with the schedule of immunizations pursuant to A.R.S. § 36-672, when the ~~parent~~ Parent or NPCR applies for or receives CA on behalf of a ~~dependent children~~ Dependent Children unless there is good cause for not cooperating with this requirement. Good cause means either of the following:

1. The Parent or NPCR provides a signed statement that:
 - a. They do not consent to immunization of the child, based on personal

beliefs; and

b. They understand the risks and benefits of immunization.

2. The Parent or NPCR provides written certification that is signed by the Parent or NPCR and by a Qualified Health Professional, that states that one or more of the required immunizations may be detrimental to the child's health and that indicates the specific nature and probable duration of the medical condition or circumstance that precludes immunization.

~~B.~~ ~~The Department shall require this verification at the initial interview and at each review. Acceptable verification shall include:~~

1. ~~The parent or NPCR's written statement; or~~

2. ~~A written statement from a physician, hospital, or clinic.~~

~~C.B.~~ When the ~~parent~~ Parent or NPCR is unable to verify the child's immunizations at the initial interview, the Department shall inform the ~~parent~~ Parent or NPCR that verification of the child's immunization ~~will~~ shall be required at the next eligibility review.

~~D.C.~~ When a ~~parent~~ Parent or NPCR is required to verify the child's immunization at the eligibility review as provided under subsection (B) and verification is not provided, the Department shall impose the ~~progressive~~ graduated sanction penalties as specified in R6-12-316.

R6-12-316. Sanctions for Noncompliance with the Personal Responsibility Agreement

A. The Department shall notify the ~~assistance unit~~ Assistance Unit of a ~~benefit~~ Benefit reduction or case closure when the Assistance Unit is not in compliance with the Personal Responsibility Agreement.

~~1. Benefits will be reduced or the case closed because of noncompliance with the requirements of R6-12-311, R6-12-312, R6-12-313(C), and R6-12-314; and~~

~~2. The Assistance Unit's benefits are not currently reduced because of sanctions.~~

B. The notice shall include the following information:

1. A brief statement of the ~~progressive~~ graduated sanction policy as follows:

a. For the first sanction, the Department will reduce Cash ~~benefits~~ Benefits by ~~25%~~ 50% for ~~at least~~ one month;

b. Unless all members are in compliance by the end of the sanction month, the Department will impose another sanction.

c. For the second sanction, and subsequent sanctions, the Department ~~will~~ shall reduce cash benefits by 50% for at least one month ~~shall~~ close the case and ~~it must~~ the case shall remain closed for at least one month.

~~d. For the third and subsequent sanctions, the Department will close the case and it must remain closed for at least one month;~~

2. The month the sanction ~~will~~ shall be effective; and

3. The name and telephone number of the person to contact for information on what the noncompliant member ~~must~~ shall do to comply.

C. The Department shall impose the sanction effective for the first possible ~~benefit~~ Benefit Month, allowing for 10-day notice of ~~adverse action~~ Adverse Action.

D. The Department shall not impose the above penalties on TPEP ~~assistance unit's~~ Assistance Units, but shall:

1. Notify the TPEP ~~assistance unit~~ Assistance Unit of ~~benefit~~ Benefit withholding or case closure when:
 - a. ~~Benefits~~ Benefits will be withheld or the case closed because of noncompliance with the requirements of R6-12-311, ~~R6-12-312,~~ R6-12-313~~(C)~~, and R6-12-314; and R6-12-315; and
 - b. The ~~assistance unit~~ Assistance Unit's ~~benefits~~ Benefits are not currently being withheld.
2. Notify the ~~Assistance unit~~ Assistance Unit that:
 - a. The TPEP ~~benefit~~ Benefit ~~checks~~ will be withheld until the noncompliant person has completed a new work cycle in compliance;
 - b. The name and telephone number of the person to contact for information on how to comply;
 - c. ~~That~~ The Department shall terminate TPEP Benefits when three checks have been withheld in any six-month period; ~~the Department will close the TPEP case.~~

R6-12-317. Voluntary Quit/Reduction in Work Effort

A. The Department shall disqualify either the member of the ~~assistance unit~~ Assistance Unit or the entire ~~assistance unit~~ Assistance Unit as described in subsections (B) and (C) when a member of an ~~assistance unit~~ Assistance Unit, or the ~~parent~~ Parent of a ~~dependent child~~ Dependent Child whose income is considered available to the

~~assistance unit~~ Assistance Unit, within ~~60~~ 30 days prior to the date of the application or any time thereafter, voluntarily and without good cause:

1. Terminates employment from a job in which the individual was:
 - a. Employed at least 20 hours a week; or
 - b. Earning weekly income equal to the then current minimum wage multiplied by 20;
2. Reduces the number of hours worked each week from 30 or more to less than 30; or
3. Participates in a strike against the government, when the member is an employee of the local, state, or federal government.

B. When the member is the PI of the ~~assistance unit~~ Assistance Unit, ~~or the primary wage earning Parent in a CA TPEP Assistance Unit~~, the Department shall close the case. The ~~assistance unit~~ Assistance Unit of which the member remains the PI, ~~or the primary wage earning Parent in a CA TPEP Assistance Unit~~, is ineligible for CA ~~benefit~~ Benefit for the minimum period specified in subsection (D) or until the ~~assistance unit~~ Assistance Unit reapplies, whichever is longer.

C. When the member is not the PI of the ~~assistance unit~~ Assistance Unit, ~~or the primary wage earning Parent in a CA TPEP Assistance Unit~~, the Department in determining eligibility and ~~benefit~~ Benefit level for the ~~assistance unit~~ Assistance Unit for the minimum period specified in subsection (D) or until the ~~assistance unit~~ Assistance Unit reapplies, whichever is longer, shall:

1. Exclude the needs of the member; and

2. Include the otherwise ~~countable income~~ Countable Income, ~~resources~~ Resources, and expenses of the member.

D. The minimum disqualification periods are:

1. For the first offense, one month;
2. For the second offense, three months; and
3. For the third and subsequent offenses, six months.

E. The Voluntary Quit/Reduction in Work Effort disqualification provisions shall apply to all members of the ~~assistance unit~~ Assistance Unit who are not exempt from ~~JOBS~~ Jobs Program participation, as provided in R6-12-313. A member who is exempt from participation in ~~JOBS~~ the Jobs Program because of employment is not exempt from the Voluntary Quit/Reduction of Work Effort provisions due to ~~JOBS~~ Jobs Program employment.

F. Good cause for voluntarily quitting a job or reducing the number of hours worked includes:

1. Circumstances beyond the member's control, such as illness of another ~~assistance unit~~ Assistance Unit member requiring the presence of the member, unavailability of transportation, unanticipated emergency, unsuitability of work, or the lack of adequate child care for individuals responsible for the care of children under 12 years old;
2. The member's inability to write or speak ~~English~~ a language necessary for employment;

3. Discrimination by an employer based on age, race, sex, color, ~~handicap~~ disability, religious beliefs, national origin, or political beliefs;
4. Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule;
5. Resignation by a member under age 60 who is recognized by the employer as retired;
6. Employment ~~which~~ that becomes unsuitable by not meeting the suitability of work criteria listed in subsection (F)(9) after the acceptance of employment;
7. Acceptance of new employment of comparable hours and salary to the job ~~which~~ that was quit, which, through no fault of the member, subsequently:
 - a. Does not materialize;
 - b. Results in a lay off;
 - c. Results in employment of less than 20 hours a week; or
 - d. Results in weekly earnings of less than the federal minimum wage multiplied by 20 hours;
8. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another such as migrant farm labor or construction work;
9. Employment that is unsuitable. Employment is unsuitable when the following conditions apply:
 - a. The wage offered is less than the higher of:

- i. The federal minimum wage or the training wage, when applicable, if the employment is covered by federal regulations; or
 - ii. Eighty percent of the federal minimum wage when the employment is not covered by federal regulations;
 - b. The employment offered is on a piece-rate basis, and the average hourly yield ~~which~~ that the employee can reasonably be expected to earn is less than the applicable hourly wage as specified above;
 - c. As a condition of employment, the employee is required to join, resign from, or refrain from joining any legitimate labor organization;
 - d. The work offered is at a site subject to strike or lockout, unless the strike has been enjoined under the Taft-Hartley Act (Section 208 of the Labor Management Relations Act, (29 U.S.C. 178)) or an injunction issued under section 10 of the Railway Labor Act (45 U.S.C. 160). A striker who belongs to a union may not refuse work solely because the job offered is a nonunion job;
10. An employment opportunity is unsuitable when an individual can demonstrate, or the Department finds that:
- a. The degree of risk to the individual's health and safety is unreasonable;
 - b. The individual is substantially limited physically or mentally ~~incapable of~~ from performing the assigned tasks of employment as documented by medical evidence or reliable information obtained from other sources;

- c. The distance of employment from the member's place of residence is unreasonable, with respect to the expected wage and the time and cost of commuting;
 - i. Employment is unsuitable if the commuting time exceeds two hours per day, exclusive of time required to transport a child to and from a child care facility; or
 - ii. Employment is unsuitable when the distance prohibits walking, and neither public nor private transportation is available.
- d. The working hours or type of employment interferes with the individual's religious observances, convictions, or beliefs.

R6-12-318. Duration of Assistance - ~~36~~ 12-month Time Limit

- A. The Department shall not authorize Cash ~~benefits~~ Benefits for a ~~needy family~~ Needy Family, except in case of ~~hardship~~ Hardship, when any of the following apply:
 - 1. The ~~needy family~~ Needy Family includes a ~~head of household~~ Head of Household or the spouse of the ~~head of household~~ Head of Household who has received ~~36~~ 12 countable months of Cash ~~benefits~~ Benefits in the Arizona CA program for ~~himself~~ the Head of Household or ~~herself~~ the spouse of the Head of Household.
 - 2. The ~~needy family~~ Needy Family includes an ineligible ~~parent~~ Parent or the spouse of the ineligible ~~parent~~ Parent who has received ~~36~~ 12 countable months of Cash ~~benefits~~ Benefits in the Arizona CA program for an eligible ~~dependent child~~ Dependent Child.

3. The ~~needy family~~ Needy Family includes an adult ~~non-parent relative~~ Nonparent Relative ~~head-of-household~~ Head of Household or the spouse of the ~~non-parent relative~~ Nonparent Relative ~~head-of-household~~ Head of Household who has received ~~36~~ 12 countable months of Cash ~~benefits~~ Benefits in the Arizona CA program for an eligible ~~dependent child~~ Dependent Child.
 4. The Assistance Unit qualifies for additional CA payments under R6-12-319(B).
- B.** Time limited assistance shall not apply to a ~~child-only case~~ Child Only Case.
- C.** The Department shall count each ~~payment-month~~ that a CA payment is issued, regardless of the source of funding for the program, until a limit of ~~36~~ 12 countable months is reached. The ~~36~~ 12 countable months are not required to be consecutive.
- D.** The Department shall begin counting the ~~36~~ 12 months beginning with the first ~~countable payment~~ Countable Payment received in the Arizona CA program on or after October 1, 2002.
- E.** The Department shall not count the following months toward the ~~36~~ 12-month time limit:
1. A month in which CA was received in a ~~child-only case~~ Child Only Case;
 2. A month in which CA was received by an ~~assistance unit~~ Assistance Unit while residing on an Indian reservation that has a 50% or higher unemployment rate;
 3. A month in which the CA payment amount was less than a full ~~benefit-month~~ Benefit Month payment due to the date of an initial application;
 4. A month in which the ~~head-of-household~~ Head of Household or the spouse of the ~~head-of-household~~ Head of Household or an ineligible ~~parent~~ Parent or the spouse

of the ineligible ~~parent~~ Parent received CA as a minor child who was not the ~~head of household~~ Head of Household or the spouse of the ~~head of household~~ Head of Household;

5. Any month in which the ~~assistance unit~~ Assistance Unit receives a payment in the CA Grant Diversion option. This includes each of the months for which the Grant Diversion payment is intended to cover;
 6. Any month in which the ~~assistance unit~~ Assistance Unit was totally ineligible for a Cash ~~benefit~~ Benefit payment due to an ~~overpayment~~ Overpayment of ~~benefits~~ Benefits that ~~must~~ shall be repaid to the Department;.
- F. Under no circumstances, except as provided in R6-12-319, shall the Department authorize CA beyond the federal 60-month time limit under R6-12-320.

R6-12-319. Extension of Time Limited Assistance; Availability of Additional CA Payments; Availability of Hardship Extensions

- A.** When the Department has issued 12 countable months of CA under R6-12-318 or the Assistance Unit has received 60 countable months of CA under R6-12-320, the Department shall continue to issue CA to the Assistance Unit when the Assistance Unit qualifies for additional CA payments under subsection (B) or when the Assistance Unit qualifies for additional CA payments due to a qualifying Hardship under subsection (C).
- B.** The Department shall continue to issue CA to the Assistance Unit for up to an additional 12 months when all of the following are met:
1. The Assistance Unit requests to receive additional CA;
 2. The Assistance Unit contains a Jobs Program mandatory participant;

3. The Jobs Program mandatory participant is in compliance with Jobs Program requirements in the 12th countable month or the 60th countable month that CA is issued;
4. Each Dependent Child in the Assistance Unit age 6 through 15 is in compliance with R6-12-314 and those Dependent Children maintain a school attendance rate of at least 90%, unless the child is excused due to one or more of the following provisions in A.R.S. §15-802(D) as verified by the school's principal or the principal's designee:
 - a. The child is in such physical or mental condition that instruction is inexpedient or impracticable;
 - b. The child has presented reasons for nonattendance at a public school that are satisfactory to the school principal or the school principal's designee. For the purposes of this paragraph, the principal's designee may be the school district governing board;
 - c. The child is enrolled in a work training, career education, career and technical education, vocational education or manual training program that meets the educational standards established and approved by the Department of Education;
 - d. The child was either:
 - i. Suspended and not directed to participate in an alternative education program; or
 - ii. Expelled from a public school as provided in A.R.S. § 15-803.

- e. The child is enrolled in an education program provided by a state educational or other institution. The Assistance Unit continues to meet all CA financial and nonfinancial eligibility factors.

~~A.C.~~ The Department shall authorize Cash ~~benefits~~ Benefits to an ~~assistance unit~~ Assistance Unit that is ineligible due to the time limited restrictions in R6-12-318 or R6-12-320 when:

1. An ~~assistance unit~~ Assistance Unit or the ~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household who receives CA only for an eligible ~~dependent child~~ Dependent Child, requests an extension due to ~~hardship~~ Hardship;
2. The ~~assistance unit~~ Assistance Unit meets all financial and non-financial eligibility criteria; and
3. The ~~assistance unit~~ Assistance Unit or the ~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household verifies that at least one of the ~~hardship~~ Hardship reasons in this Section exists. The claimed ~~hardship~~ Hardship shall be valid only when the ~~hardship~~ Hardship circumstances ~~prevent~~ substantially limit the ~~adult assistance unit member, the minor parent head of household, the caretaker relative head of household or the spouse of the caretaker relative head of household~~ one of the following family members from working or engaging in work activities to a degree that such person is prevented from financially supporting the eligible ~~dependent child~~ Dependent Child in the ~~assistance unit~~ Assistance Unit, independent of CA.

- a. An adult Assistance Unit member.
- b. A Minor Parent Head of Household.
- c. The Caretaker Relative Head of Household, or
- d. The spouse of the Caretaker Relative Head of Household.

B.D. Hardship may exist in any of the following situations:

1. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) has a physical or mental impairment Physical or Mental Impairment that is expected to continue for more than 30 days and that ~~prevents~~ substantially limits that person from working or engaging in work activities;.
2. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) is required to be a full-time caregiver, as verified by an acceptable medical source, a Qualified Health Professional and all of the following apply:
 - a. The caregiver is providing services to one of the following disabled ~~family~~ Family members:
 - i. A ~~dependent child~~ Dependent Child or a disabled adult child;.
 - ii. A ~~parent~~ Parent;.
 - iii. A spouse or domestic partner.

- b. The caregiver does not receive respite care for more than 20 hours each week;
 - c. No other person is available to be the full-time caregiver to the disabled ~~family~~ Family member; and
 - d. The disabled ~~family~~ Family member does not attend school or vocational rehabilitation for more than 20 hours each week.
3. An ~~assistance unit~~ Assistance Unit member or any member of the ~~needy family~~ Needy Family is a victim of one of the following that ~~prevents~~ substantially limits an adult ~~assistance unit~~ Assistance Unit member, the minor parent head of household, a caretaker relative head of household, or the spouse of the caretaker relative head of household a Family member under R6-12-319(C)(3) from working or engaging in work activities:
- a. Violence;
 - b. Crime; or
 - c. Domestic ~~violence~~ Violence.
4. The ~~assistance unit~~ Assistance Unit or the ~~needy family~~ Needy Family is ~~homeless~~ Homeless;
5. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) is participating full-time in one of the activities listed in subsection ~~(B)(5)(a)~~ (D)(5)(a), is complying with the

requirements listed in subsection ~~(B)(5)(b)~~ (D)(5)(b), and is unable to complete the activity without continuing to receive CA.

a. Activities:

- i. A postsecondary education program offered by a university, college, or community college, that will result in an associate's or bachelor's degree;
- ii. A program offered by a vocational, technical, or recognized school that will result in a diploma or certificate for a job skill directly related to obtaining self-supporting employment in a recognized occupation; or
- iii. A job training or employment activity assigned by the ~~JOBS~~ Jobs Program as part of the member's employability plan.

b. Requirements:

- i. The member ~~must~~ shall have started participation in the educational or training program or activity in subsection (a) prior to the member receiving ~~30~~ 6 countable months of CA for a Hardship extension to the 12 month time limit, or 54 countable months of CA for a Hardship extension to the 60 month time limit;
- ii. The member shall demonstrate successful progress toward completion of the educational or training program or activity in subsection (a). Successful progress includes meeting a reasonable

time limit for completion of the educational or training program;
and

- iii. The member shall consistently sustain a passing grade or acceptable grade point average, as determined by the educational or training program.

- 6. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) is prevented substantially limited from working or engaging in work activities due to either of the following:
 - a. Childcare is unavailable or unaffordable; or
 - b. Transportation is not readily available or affordable.
- 7. The adult ~~assistance unit~~ Assistance Unit member or the ~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household is both of the following:
 - a. A ~~non-parent~~ Nonparent ~~caretaker relative~~ Caretaker Relative to the minor ~~dependent child~~ Dependent Child receiving CA, and
 - b. Age 60 or older.
- 8. When the ~~assistance unit~~ Assistance Unit or the ~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household claims that ~~hardship~~ Hardship exists for a reason other than one contained in this Section, the Department shall assess the situation and determine whether the claim of ~~hardship~~ Hardship is valid based on verification provided by the ~~assistance unit~~ Assistance Unit or the

~~caretaker relative~~ Caretaker Relative ~~head of household~~ Head of Household and may grant an extension based on those circumstances.

R6-12-320. Duration of Assistance - Federal 60-month Time Limit

- A. The Department shall not authorize Cash ~~benefits~~ Benefits to the ~~assistance unit~~ Assistance Unit when the ~~head of household~~ Head of Household or the spouse of the ~~head of household~~ Head of Household has received 60 countable months of Cash ~~benefits~~ Benefits for ~~himself or herself~~ the Head of Household or the spouse of the Head of Household, funded in whole or in part by the TANF block grant in Arizona or any other state or United States territory or from a tribal Temporary Assistance for Needy Families CA program, unless the Assistance Unit is eligible for additional CA payments under R6-12-319(B) or the assistance unit Assistance Unit is eligible for a hardship Hardship extension under R6-12-319 R6-12-319(C).
- B. The Department shall count each payment month until a limit of 60 months is reached. The 60 countable months are not required to be consecutive.
- C. The Department shall begin counting the 60 months beginning with the first payment received on or after October 1, 2002.
- D. The Department shall not include the following months toward the 60-month time limit:
1. Any month before October 1, 2002 in which the ~~recipient~~ Recipient received CA in Arizona or in any other state;
 2. Any month before October 1, 2002, in which the ~~recipient~~ Recipient received CA in a tribal TANF program in any state other than Arizona;

3. Any month before October 1, 2002, in which the ~~recipient~~ Recipient received CA in an Arizona tribal TANF program when that month was not countable toward the 60-month time limit in that tribal TANF program;
4. Any month in which the ~~recipient~~ Recipient resides on an Indian reservation that has a 50% or higher unemployment rate based on the Bureau of Indian Affairs (~~B.I.A.~~) Market Information Report;
5. A month when the ~~assistance unit~~ Assistance Unit is eligible but receives no CA payment because the ~~benefit~~ Benefit is less than \$10;
6. A month when the ~~assistance unit~~ Assistance Unit is ineligible due to an ~~overpayment~~ Overpayment;
7. Any month in which the ~~assistance unit~~ Assistance Unit receives a payment in the Grant Diversion option. This includes each of the months for which the Grant Diversion payment is intended to cover.

R6-12-321. Hardship Verification Requirements

- A. Hardship due to a ~~physical or mental impairment~~ Physical or Mental Impairment.
 1. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) that claims hardship Hardship as specified in ~~R6-12-319(B)(1)~~ R6-12-319(D)(1) shall provide one of the following items:
 - a. A signed statement from a treatment provider or ~~acceptable medical source~~ Qualified Health Professional;

- b. Disability verification from the Veterans Administration;
 - c. Verification of SSI or Social Security Disability Insurance eligibility from the Social Security Administration;
 - e d. Vocational Rehabilitation documents, examinations, or evaluations signed by a treatment provider.
2. The verification items specified in subsection ~~(A)(1)~~ (A)(1)(a) shall include all of the following information:
- a. A statement indicating that the individual's physical or mental condition ~~prevents~~ substantially limits working or engaging in work activities,
 - b. The duration of the disability,
 - c. A prognosis of recovery, and
 - d. The signature of the treatment provider or ~~acceptable medical source~~ Qualified Health Professional.
3. When the ~~assistance unit~~ Assistance Unit member is a current ~~JOBS program~~ Jobs Program participant whose participation is deferred due to disability, no further verification of disability is required.
- B.** Hardship due to being a full-time caregiver.
1. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) who claims hardship Hardship as specified in ~~R6-12-319(B)(2)~~ R6-12-319(D)(2) shall provide a signed statement from a ~~treatment provider~~ Qualified Health Professional, verifying the

member is needed as a full-time caregiver of ~~their~~ the member's disabled child, ~~parent~~ Parent, spouse, or domestic partner.

2. ~~An adult assistance unit member, minor parent head of household, caretaker relative head of household, or spouse of the caretaker relative head of household~~
A Family member under R6-12-319(C)(3) who receives respite care services shall provide verification of these services from the respite care provider. The verification shall indicate the number of hours per week that the person receives these services.
3. When a disabled individual is attending school, the individual shall provide verification from the school or vocational rehabilitation program of the number of hours per week the individual is in attendance.

C. Hardship due to ~~violence~~ Violence, ~~crime~~ Crime, or domestic ~~violence~~ Violence.

1. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~
A Family member under R6-12-319(C)(3) who claims ~~hardship~~ Hardship as specified in ~~R6-12-319(B)(3)~~ R6-12-319(D)(3) shall provide verification from at least one of the following sources:
 - a. Court records;
 - b. Police reports;
 - c. Law Enforcement records;
 - d. Restraining Orders or Orders of Protection against the perpetrator or abuser;

- e. Statements by attorneys or other legal professionals providing services to the victim of ~~abuse~~ Abuse or ~~violence~~ Violence;
 - f. Department of Child Protective Services Safety records;
 - g. Written statements by ~~medical professionals including physicians, psychologists, psychiatrists~~ Qualified Health Professionals, counselors, or other treatment providers;
 - h. Written statements by domestic violence shelter staff;
 - i. Statements by clergy;
 - j. Statements by a third person with knowledge of the ~~abuse~~ Abuse or ~~violence~~ Violence, such as a friend or relative to whom the member or ~~assistance unit~~ Assistance Unit has fled to escape or avoid ~~abuse~~ Abuse or ~~violence~~ Violence;
 - k. Receipt of Victims of Crime Act (~~VCA~~) benefits.
2. Any other evidence that supports the claim that the ~~assistance unit~~ Assistance Unit member or ~~family~~ Family member is a victim of ~~abuse~~ Abuse or ~~violence~~ Violence.
 3. When the ~~assistance unit~~ Assistance Unit member is a current ~~JOBS program~~ Jobs Program participant and is deferred from participating due to domestic ~~violence~~ Violence, no further verification is required.
- D.** Hardship due to Homelessness. ~~An adult assistance unit member, a minor parent head of household, or the caretaker relative head of household~~ A Family member under

R6-12-319(C)(3) who claims ~~hardship~~ Hardship as specified in ~~R6-12-319(B)(4)~~ R6-12-319(D)(4) shall provide verification from at least one of the following sources:

1. A written statement by staff at a shelter, halfway house, or similar facility that provides temporary residence to ~~homeless~~ Homeless individuals or families verifying that the ~~assistance unit, minor parent head of household, or caretaker relative head of household~~ the individual is a resident of the facility;
2. A written statement by the ~~assistance unit member, minor parent head of household, or caretaker relative head of household~~ individual that includes a description of where the ~~household~~ Assistance Unit is residing when it does not have a fixed or regular nighttime residence;
3. A written statement by the ~~assistance unit member, minor parent head of household, or caretaker relative~~ Caretaker Relative head of household Head of Household when the ~~household~~ Assistance Unit is temporarily living with others. The statement ~~must~~ shall indicate that the residential situation is temporary and the date the ~~assistance unit, minor parent head of household, or caretaker relative~~ Caretaker Relative head of household Head of Household expects to have ~~its~~ their own residence;
4. Any other verification that reasonably supports the ~~assistance unit member's, minor parent head of household's, or caretaker relative's~~ head of household's claim of ~~homelessness~~ Homelessness.

E. Hardship due to Educational or Training Program Completion. ~~An adult assistance unit member, minor parent head of household, caretaker relative head of~~

~~household, or spouse of a caretaker relative head of household~~ A Family member under R6-12-319(C)(3) who claims ~~hardship~~ Hardship as specified in ~~R6-12-319(B)(5)~~ R6-12-319(D)(5) shall provide the following verification:

1. A statement from the educational or training program that includes the following:
 - a. The enrollment status of the individual;
 - b. The date that the individual began participation in the program and the anticipated completion date; and
 - c. Verification that the individual is making satisfactory progress toward completion of the program.
2. A statement from the ~~assistance unit~~ Assistance Unit member or ~~caretaker relative~~ Caretaker Relative head of household Head of Household that explains the need for additional CA ~~benefits~~ Benefits in order for the individual to successfully complete the Educational or Training program.

F. Hardship due to Childcare or Transportation being Unavailable or Unaffordable.

1. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) who claims ~~hardship~~ Hardship as specified in ~~R6-12-319(B)(6)(a)~~ R6-12-319(D)(6)(a) shall provide the following items:
 - a. A statement by the ~~assistance unit~~ Assistance Unit member or ~~caretaker relative~~ Caretaker Relative head of household Head of Household explaining the reasons the individual has been unable to find or afford

childcare, including the availability of affordable childcare in ~~their~~ the individual's area; and

b. Documents that demonstrate the individual's efforts to find or afford childcare.

2. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) who claims ~~hardship~~ Hardship as specified in ~~R6-12-319(B)(6)(b)~~ R6-12-319(D)(6)(b) shall provide a statement explaining the reasons that transportation is not readily available or affordable, including the availability of affordable public and private transportation in ~~their~~ the individual's area.

G. Hardship due to other reasons. ~~An adult assistance unit member, a minor parent head of household, the caretaker relative head of household or the spouse of the caretaker relative head of household~~ A Family member under R6-12-319(C)(3) who claims ~~hardship~~ Hardship as specified in ~~R6-12-319(B)(8)~~ R6-12-319(D)(8) shall provide a statement that explains the ~~hardship~~ Hardship circumstance and the need for additional CA ~~benefits~~ Benefits. The individual shall provide any documentary verification of the ~~hardship~~ Hardship circumstance that is requested by the Department in order to determine the need for additional CA ~~benefits~~ Benefits.

R6-12-322. Drug Testing Requirement

A. The Department shall screen all CA Recipients age 18 and older to determine whether the Department has reasonable cause to believe that the Recipient engages in the illegal use of controlled substances.

1. “Illegal use of a controlled substance” means use of a drug that is in violation of Title 13 of the Arizona Revised Statutes, including the use of a controlled substance that is prescribed to a person other than the Recipient.

2. Upon approval of an initial application and issuance of the initial month’s Benefit, and at each CA eligibility review, the Department shall provide each member of the Assistance Unit ages 18 and older with an Illegal Drug Use Statement. The Recipient shall:

- a. Complete the Illegal Drug Use Statement and return the completed statement to the Department on or before the due date specified on the notice containing the statement:
- b. When the Recipient fails to provide a completed Illegal Drug Use Statement to the Department, the Department shall disqualify the Recipient, re-determine CA eligibility of the Assistance Unit, and authorize a CA grant for the remaining eligible members of the Assistance Unit: and
- c. When the disqualified Recipient provides the Department with a completed Illegal Drug Use Statement, the Department shall end the

disqualification, add the formerly disqualified person back into the Assistance Unit, and re-determine and authorize a new CA grant amount.

- B. The Department shall require a CA Recipient age 18 and older to complete a drug test when the Department has reasonable cause to believe that the Recipient engages in the illegal use of controlled substances. Reasonable cause exists when:
1. The Recipient answers in the affirmative to one or more of the questions on the Illegal Drug Use Statement; or
 2. The Department receives notification from a law enforcement agency, a court, or other governmental entity indicating that the Recipient may be engaged in the illegal use of controlled substances.
- C. When the Recipient fails to complete a required drug test, the Department shall disqualify the Recipient, re-determine CA eligibility of the Assistance Unit, and authorize a CA grant for the remaining eligible members of the Assistance Unit. The disqualified person shall remain disqualified until a drug test is completed.
- D. When the Recipient completes a required drug test and the drug test result is positive, the Department shall disqualify the Recipient for 12 consecutive calendar months, re-determine the CA eligibility of the Assistance Unit, and authorize a CA grant for the remaining eligible members of the Assistance Unit. Upon expiration of the disqualification period, the Department shall add the formerly disqualified person back into the Assistance Unit when the person provides a newly completed Illegal Drug Use Statement to the Department.

- E. The Department shall apply the drug screening and drug testing requirement only during a state fiscal year in which the Arizona legislature mandates the requirement.

ARTICLE 4. FINANCIAL ELIGIBILITY: RESOURCES

R6-12-401. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Abuse”</u>	<u>A.R.S. § 8-201</u>
<u>“AHCCCS”</u>	<u>R6-12-101(B)</u>
<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit” or “Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“Bona Fide Funeral Agreement”</u>	<u>R6-12-101(B)</u>
<u>“Burial Plot”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Countable Income”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>

<u>“Dependent Child”</u>	<u>A.R.S. § 46-101(8)</u>
<u>“Earned Income”</u>	<u>R6-12-101(B)</u>
<u>“Equity Value”</u>	<u>R6-12-101(B)</u>
<u>“Fair Consideration”</u>	<u>R6-12-101(B)</u>
<u>“Fair Market Value”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Homestead Property”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>
<u>“Intentional Program Violation” or “IPV Claim”</u>	<u>R6-12-101(B)</u>
<u>“Needy Family”</u>	<u>A.R.S. § 46-101(16)</u>
<u>“Nonparent Relative”</u>	<u>R6-12-101(B)</u>
<u>“Noncitizen”</u>	<u>R6-12-101(B)</u>
<u>“Noncitizen Sponsor”</u>	<u>R6-12-101(B)</u>
<u>“Office of Special Investigations”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>

<u>“Resources”</u>	<u>R6-12-101(B)</u>
<u>“Social Security Administration”</u>	<u>R6-12-101(B)</u>
<u>“Spendthrift Restriction”</u>	<u>R6-12-101(B)</u>
<u>“Student”</u>	<u>R6-12-101(B)</u>
<u>“Supplemental Security Income” or “SSI”</u>	<u>R6-12-101(B)</u>
<u>“Title IV-A of the Social Security Act”</u>	<u>R6-12-101(B)</u>

~~R6-12-401~~R6-12-402. Treatment of Resources; Limitations

- A. In determining eligibility for a ~~cash benefit~~ Cash Benefit, the Department shall determine the monetary value of all resources Resources available to the ~~assistance unit~~ Assistance Unit, unless excluded under R6-12-404 or by applicable law. The Department shall verify the monetary value of all such Resources when determining an Assistance Unit’s eligibility for, and amount of, a cash grant.
- B. An ~~assistance unit~~ Assistance Unit is ineligible for CA when the monetary value of the resources Resources available to the Assistance Unit exceeds \$2,000, after application of all available exclusions.

~~R6-12-402~~R6-12-403. Treatment of Resources by Ownership Status; Availability

- A. The Department shall consider the ~~resources~~ Resources belonging to an ~~assistance unit~~ Assistance Unit member as available to the ~~assistance unit~~ Assistance Unit.
- B. The Department shall consider the ~~resources~~ Resources of the following individuals as available to the ~~assistance unit~~ Assistance Unit:

1. A ~~dependent child's~~ Dependent Child's ~~parent~~ Parent and minor sibling, when residing with a ~~dependent child~~ Dependent Child in an ~~assistance unit~~ Assistance Unit, even when the ~~parent~~ Parent or minor sibling:
 - a. Has not requested CA;
 - b. Is ineligible for CA for failure to comply with an eligibility requirement;
or
 - c. Is ineligible for CA due to disqualification for Intentional Program Violation, as provided in Article 12;
 2. A stepparent, when residing with a ~~dependent child~~ Dependent Child in an ~~assistance unit~~ Assistance Unit and the ~~dependent child's parent~~ Dependent Child's Parent, who makes ~~resources~~ Resources available to the ~~assistance unit~~ Assistance Unit or the ~~dependent child's parent~~ Dependent Child's Parent.
- C. The Department shall consider the ~~resources~~ Resources belonging to the sponsor of a ~~noncitizen~~ Noncitizen, as provided in ~~R6-12-506~~ R6-12-507, available to the ~~assistance unit~~ Assistance Unit.
- D. The Department shall consider the ~~resources~~ Resources of the persons listed in this subsection unavailable to the ~~assistance unit~~ Assistance Unit.
1. A ~~non-parent relative~~ Nonparent Relative who is not included in the ~~assistance unit~~ Assistance Unit;
 2. ~~An~~ A ~~SSI recipient~~ Recipient, as to ~~resources~~ Resources held as sole and separate property, or counted in the determination of SSI eligibility;
 3. A ~~dependent child~~ Dependent Child for whom deprivation does not exist;

4. A ~~dependent child~~ Dependent Child who is not included in the ~~assistance unit~~ Assistance Unit due to receipt of adoption assistance or foster care payments under Title IV-E of the Social Security Act or who is ineligible for CA due to the ~~family benefit~~ Family Benefit cap.

E. The Department shall consider ownership in determining availability of the ~~resources~~ Resources to the ~~assistance unit~~ Assistance Unit.

1. The sole and separate property of one spouse is deemed unavailable to the other spouse, unless the owner spouse makes the property available to the other spouse.
2. Jointly owned ~~resources~~ Resources, with ownership records containing the words “and” or “and/or” between the owners’ names, are deemed available when all owners can be located and consent to disposal of the ~~resource~~ Resource, except that such consent is not required if all owners are members of the ~~assistance unit~~ Assistance Unit.
3. Jointly owned ~~resources~~ Resources, with ownership records containing the word “or” between the owners’ names, are deemed available in full to each owner. When more than one owner is a member of an ~~assistance unit~~ Assistance Unit, the ~~equity value~~ Equity Value of the ~~resource~~ Resource is counted only once.

F. The Department shall consider the following ~~resources~~ Resources unavailable to the ~~assistance unit~~ Assistance Unit and to any other person whose ~~resources~~ Resources are considered available to the ~~assistance unit~~ Assistance Unit:

1. Property subject to a ~~spendthrift restriction~~ Spendthrift Restriction. Such property may include:

- a. Irrevocable trust funds that are prohibited by a court from being disbursed to the beneficiary who is an ~~assistance-unit~~ Assistance Unit member or to any other person whose ~~resources~~ Resources are considered available to the ~~assistance-unit~~ Assistance Unit. When such funds may be disbursed by court order, the beneficiary or appropriate ~~assistance-unit~~ Assistance Unit member shall petition the court for disbursement of the funds;
 - b. Accounts established by the Social Security Administration, Veteran's Administration, or some other entity, which mandate that the funds in the account be used for the benefit of a person not residing with the ~~assistance-unit~~ Assistance Unit.
2. Resources being disputed in divorce proceedings or in probate matters-;
 3. Real property situated on a Native American reservation-; and
 4. Resources belonging to a member of the ~~needy-family~~ Needy Family except as to those ~~family~~ Family members listed in subsections (A), (B), and (C).

~~R6-12-403~~R6-12-404. Treatment of Resources; Exclusions

The Department shall exclude the ~~equity-value~~ Equity Value of the ~~resources~~ Resources listed below, as provided in this Section. These ~~resource~~ Resource exclusions shall also apply to a person whose ~~resources~~ Resources are considered available to an ~~assistance-unit~~ Assistance Unit.

1. The ~~usual-residence~~ Homestead Property of the ~~assistance-unit~~ Assistance Unit members, including the land on which the Homestead Property stands, and any surrounding property that is not separated by intervening property owned by others;

2. One ~~burial plot~~ Burial Plot for each member of the ~~assistance unit~~ Assistance Unit;
Unit;
3. Household furnishings used by the ~~assistance unit~~ Assistance Unit members in ~~their~~ the Assistance Unit member's usual place of residence, and personal effects essential to ~~day-to-day~~ Day-to-Day living;
4. Up to ~~\$1500~~ \$1,500 of the value of one ~~bona fide funeral agreement~~ Bona Fide Funeral Agreement, for each member of the ~~assistance unit~~ Assistance Unit. The funeral agreement or burial plan ~~must~~ shall cover only funeral-related expenses, as evidenced by a written contract;
5. The value of all motor vehicles, including recreational vehicles;
6. ~~When an assistance unit member owns real property, other than the usual residence described in subsection (A)(1) above, and is making a good faith effort to dispose of it, the equity value shall be excluded for six months, subject to the conditions listed in this subsection;~~
 - a. ~~The assistance unit member shall sign an agreement to:~~
 - i. ~~Dispose of the property; and~~
 - ii. ~~Repay the Department, from the net proceeds of disposal, the amount of any assistance the unit receives during the period of time the unit would otherwise have been ineligible because the property value exceeded resource limitations;~~
 - b. ~~The amount repaid shall not exceed the net proceeds of disposal;~~

- e. ~~If the assistance unit member does not dispose of the property within six months, the Department shall write an overpayment and the assistance unit shall repay any assistance received during that period;~~

Real property, other than the usual residence of the Assistance Unit described in subsection (1), when the owner is making a good faith effort to sell the property at a reasonable price and which has not been sold. As provided in R6-12-205, the Department shall verify that:

- a. The property is for sale; and
b. The owner has not declined any reasonable purchase offer.

7. A financial account that is used only for a self-employment business;
8. Funds in the following types of retirement accounts or retirement plans, established by employers in accordance with federal Internal Revenue Services regulations:

- a. A 401A or 401K plan;
b. A 457 or 457(b) plan;
c. A Federal Employees Thrift Savings Plan;
d. An Irrevocable Annuity plan;
e. A KEOGH plan that involves a contract with a person who is not an ~~assistance unit~~ Assistance Unit;
f. A Section 403(a) or 403(b) plan;
g. A Section 408 or 408A plan; and
h. A Section 501(c)(18) or 501(g)(18) plan;

9. Funds in the following educational savings accounts operated by a state or educational institution in accordance with federal Internal Revenue Services regulations:
 - a. A 529 account; and
 - b. A 530 account; and
10. Educational grants issued under programs administered by the U.S. Commissioner of Education, when the assistance is made available for school attendance costs, including the following:
 - a. BEOG\PELL, SEOG and NDSL grants;
 - b. Work Study programs; and
 - c. Assistance provided by the Carl D. Perkins Vocational and Applied Technology Education Act; and
11. Any grant, scholarship, educational loan, or other award that is not administered by the U.S. Commissioner of Education, when such assistance covers the costs of items not included in the CA need standard;
12. The cash value of a grazing permit issued by a tribal or other governmental authority, when the land used for the grazing permit is adjoining a permit holder's homestead;
13. Any amount up to \$2000 received from the following American Indian claims or funds:

- a. Alaska Native Claims Settlement Act payments received under the Sac and Fox Indian claims agreement as specified in Public Law 92-203, Section 21(a);
 - b. Per capita payments from judgment funds awarded by the Indian Claims Commission of the U.S. Court of Federal Claims as specified in Public Law 97-458 for the Colorado River Indians;
 - c. Individual Indian's interests in trust or restricted lands and payments from these interests as specified in Public Law 103-66. Interests include the Indian's right to or legal share of the trust or restricted land and any income accrued;
 - d. The Indian Gaming Industry per capita disbursement funds placed in an inaccessible trust by the tribe as specified in Public Law 98-64; and
 - e. Payments made to members of Indian tribes in settlement for land as specified in Public Law 100-580;₂
14. Money loaned to the ~~assistance unit~~ Assistance Unit from any source and for any purpose;
15. Funds received from the Navajo Nation Needy Children's Fund;
16. Payments made by the Federal Emergency Management Agency (~~FEMA~~) or Federal Disaster Relief Act for any of the following:
- a. Federal major disaster;
 - b. Natural catastrophe;
 - c. Emergency assistance; and

- d. Comparable disaster assistance provided by states, local governments, and disaster assistance organizations;
17. When self-employment from farming is terminated, farm property, including land, equipment and supplies shall be excluded as a ~~resource~~ Resource for 12 months. This period of exclusion begins on the date the self-employment from farming stops;
18. Funds available from sources of excluded income contained in ~~R6-12-503~~ R6-12-504(8), (13), (15), (22), (38), (39), (40), (41), (42), and (43); and
19. Any other ~~resource~~ Resource specifically excluded by state or federal law.

~~R6-12-404~~R6-12-405. Individual Development Accounts

~~A.~~ An individual development account (IDA) is a special savings account which allows a recipient of both CA and Food Stamp Program benefits to accumulate funds to achieve educational or training goals.

~~B.~~A. Financial institutions licensed by the Arizona State Banking Department shall administer IDAs.

1. IDAs shall earn the same interest rate as is offered to other bank customers for like accounts.
2. A financial institution may prescribe such terms and conditions relating to IDAs as are permissible under the laws of this state and federal banking law.

~~C.~~B. A member of an ~~assistance unit~~ Assistance Unit that receives both CA and food stamp benefits may establish an IDA.

1. No ~~assistance unit~~ Assistance Unit shall hold more than ~~+~~ one IDA.

2. A person found to have committed an ~~intentional program violation~~ Intentional Program Violation or fraud related to the CA, ~~food stamp~~ Nutrition Assistance, or AHCCCS programs shall not hold an IDA.

~~D.C.~~ An ~~assistance unit~~ Assistance Unit member who establishes an IDA shall sign a document authorizing the financial institution to release account information to the Department.

~~E.D.~~ The following persons can make deposits into an IDA:

1. The account holder;
2. A member of the account holder's ~~assistance unit~~ Assistance Unit;
3. A person who is not a member of the account holder's Assistance Unit ~~assistance unit~~; or
4. A non-profit organization with a recognized tax exempt status under 26 U.S.C. 501(c)(3) or A.R.S. § 43-1201. A non-profit organization making deposits into an IDA:
 - a. Shall designate that such funds are intended solely for educational or training purposes, and
 - b. May set other terms and conditions regarding the withdrawal or use of the funds.

~~F.E.~~ An ~~applicant~~ Applicant for assistance shall not place ~~countable income~~ Countable Income or ~~resources~~ Resources into an IDA for the purpose of qualifying for CA or ~~Food Stamp Program~~ benefits. Any money so deposited counts as a ~~resource~~ Resource.

~~G.F.~~ The Department shall exclude from the ~~resource~~ Resource limitation set forth at ~~R6-12-401~~ R6-12-402(B) the balance held in an IDA which at any ~~+~~ one time is \$9,000 or less, except that any cumulative deposits over the life of an IDA ~~which that~~ exceed \$12,000 shall count against the ~~resource~~ Resource limitation.

~~H.G.~~ The Department shall disregard as ~~countable income~~ Countable Income:

1. Fifty percent of any ~~earned income~~ Earned Income of the ~~assistance unit~~ Assistance Unit ~~which that~~ is deposited into an IDA, except that the Department shall not disregard more than \$100 per month of ~~earned income~~ Earned Income; and
2. All interest earned on an IDA.

~~H.H.~~ An ~~assistance unit~~ Assistance Unit ~~which that~~ holds an IDA shall:

1. Report to the Department all income ~~which that~~ is deposited into an IDA or withdrawn from an IDA; and
2. Submit account statements to the Department at each eligibility ~~redetermination~~ review.

~~J.I.~~ A ~~CA recipient~~ Recipient ~~of both CA and food stamp benefits~~ may withdraw funds from an IDA for:

1. Educational costs at an accredited institution of higher education; ~~or~~
2. Training costs for an accredited, licensed, or certified training program; ~~;~~
3. Purchase costs for a first home to be used as a qualified principal residence by the account holder. These costs shall be paid directly to the persons or organizations that the amounts are due; or

4. Business capitalization expenses paid directly to a business capitalization account, that is held in a federally insured financial institution. The business capitalization account shall be restricted to use solely for qualified business capitalization expenses.

~~K.J.~~ As used in subsection (J), above:

1. Educational and training costs are limited to:
 - a. Tuition and other mandatory fees charged to all ~~students~~ Students, or to all ~~students~~ Students within a certain curriculum;
 - b. Books;
 - c. Transportation; and
 - d. Miscellaneous personal expenses necessary to pursue education or training.
2. An institution of higher education means a public or private educational institution defined at A.R.S. § 23-618.02.
3. A training program means a course of study offered by a vocational, technical, or recognized proprietary school which will result in a diploma or certificate for a job skill which is directly related to obtaining useful employment in a recognized occupation.

~~I.K.~~ Withdrawals from an IDA for purposes other than those described in subsection (~~K~~ J) shall count as income to the ~~assistance unit~~ Assistance Unit in the month of withdrawal, unless the money was previously counted as income to the ~~assistance unit~~ Assistance Unit at the time of receipt.

~~M.L.~~ If there is a break in CA ~~or food stamp benefits~~ Benefits of at least + one full month, upon reapplication the Department shall consider any remaining monies in an IDA as countable ~~resources~~ Resources and shall not disregard any future deposits into an IDA.

~~N.M.~~ The Department's Office of Special Investigations shall investigate allegations of fraud or ~~abuse~~ Abuse involving IDAs, including situations where there is evidence or reason to believe that a deposit to an IDA was made from:

1. Income ~~which~~ that was available to the ~~assistance unit~~ Assistance Unit but was not reported to the Department;
2. Individual contributions ~~which~~ that should have been counted as income or child support Support; or
3. Proceeds from illegal activities.

~~O.N.~~ The Department shall not disregard as income or ~~resources~~ Resources any deposit made into an IDA from income sources described in subsection (N), or any deposit ~~which~~ that is otherwise contrary to the provisions of this Section. The Department shall establish any resulting ~~overpayment~~ Overpayment.

~~R6-12-405~~**R6-12-406. Resource Transfers; Limitations**

A. An ~~assistance unit~~ Assistance Unit member or the ~~parent~~ Parent of a ~~dependent child~~ Dependent Child in the ~~assistance unit~~ Assistance Unit shall not transfer a ~~resource~~ Resource with the intent to qualify or attempt to qualify for CA within one year prior to application or while receiving assistance, unless an amount that reasonably represents the Fair Market Value of the transferred Resource was received.

B. Except as otherwise provided in this Section, when an ~~assistance unit~~ Assistance Unit member or the ~~parent~~ Parent of a ~~dependent child~~ Dependent Child in the ~~assistance unit~~ Assistance Unit does not receive ~~fair consideration~~ Fair Consideration for a transferred ~~resource~~ Resource (an improper transfer), the ~~assistance unit~~ Assistance Unit shall be ineligible for CA.

1. The period of ineligibility shall begin in the month ~~in which~~ that the transaction occurred.
2. The Department shall compute the duration of ineligibility by subtracting the consideration actually received, from the ~~equity value~~ Equity Value of the transferred ~~resource~~ Resource, and dividing that sum by the monthly ~~need payment~~ standard for the ~~assistance unit~~ Assistance Unit. The resulting number shall be the number of months the unit is ineligible.

C. An improper transfer shall not affect eligibility when the ~~equity value~~ Equity Value of the transferred ~~resource~~ Resource, plus the value of the unit's other ~~available resources~~ Available Resources, does not exceed the ~~resource~~ Resource limitation.

D. The improper transfer of ~~homestead property~~ Homestead Property shall not affect eligibility if the property was transferred because the person cannot continue residing in the home for health reasons, as determined by Qualified Health Professional.

E. If an ~~assistance unit~~ Assistance Unit member or the ~~parent~~ Parent of a ~~dependent child~~ Dependent Child in the ~~assistance unit~~ Assistance Unit disposes of ~~homestead property~~ Homestead Property, the Department shall count, as a ~~resource~~ Resource, all

proceeds of the sale not reinvested in ~~homestead property~~ Homestead Property, when the ~~assistance unit~~ Assistance Unit member:

1. Invests the proceeds in a ~~resource~~ Resource other than ~~homestead property~~ Homestead Property;
2. Advises the Department that such proceeds will not be reinvested in other ~~homestead property~~ Homestead Property; or
3. Fails to purchase new ~~homestead property~~ Homestead Property within 90 ~~days~~ Days of the date of sale.

R6-12-406. Resource Verification Repealed

~~The Department shall verify all resources before determining an assistance unit's eligibility for a cash grant and benefit amount.~~

ARTICLE 5. FINANCIAL ELIGIBILITY: INCOME

R6-12-501. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

“Assistance Unit” R6-12-101(B)

"Battered or Subjected to Extreme Cruelty" R6-12-101(B)

“Benefit Month” R6-12-101(B)

“Benefit” or “Cash Benefit” R6-12-101(B)

<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Quarter”</u>	<u>R6-12-101(B)</u>
<u>“Countable Income”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>A.R.S. § 46-101(8)</u>
<u>“Division of Child Support Services” or “DCSS”</u>	<u>R6-12-101(B)</u>
<u>“Disregards”</u>	<u>R6-12-101(B)</u>
<u>“Earned Income”</u>	<u>R6-12-101(B)</u>
<u>“Eligibility Determination Date”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Federal Poverty Level”</u>	<u>R6-12-101(B)</u>
<u>“Gross Income”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>
<u>“In-Kind Income”</u>	<u>R6-12-101(B)</u>
<u>“Intentional Program Violation” or “IPV Claim”</u>	<u>R6-12-101(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>

<u>“Job Corps”</u>	<u>R6-12-101(B)</u>
<u>“Lawful Permanent Resident” or “LPR”</u>	<u>R6-12-101(B)</u>
<u>Legal Permanent Guardian”</u>	<u>R6-12-101(B)</u>
<u>“Lump Sum Income”</u>	<u>R6-12-101(B)</u>
<u>“Needy Family”</u>	<u>R6-12-101(B)</u>
<u>“Noncitizen”</u>	<u>R6-12-101(B)</u>
<u>“Noncitizen Sponsor” or “Sponsor”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>
<u>“Projected Income”</u>	<u>R6-12-101(B)</u>
<u>“Resources”</u>	<u>R6-12-101(B)</u>
<u>“Sponsored Noncitizen”</u>	<u>R6-12-101(B)</u>
<u>“Student”</u>	<u>R6-12-101(B)</u>
<u>“SSI”</u>	<u>R6-12-101(B)</u>
<u>“TANF”</u>	<u>R6-12-101(B)</u>
<u>“Title IV-A of the Social Security Act”</u>	<u>R6-12-101(B)</u>

“Vendor Payment” R6-12-101(B)

“Unearned Income” R6-12-101(B)

“Violence” R6-12-101(B)

~~R6-12-501~~R6-12-502. Treatment of Income; In General

A. In determining ~~income~~ the income eligibility of the ~~family~~ Family and a ~~benefit~~ Benefit amount for the ~~assistance unit~~ Assistance Unit, the Department shall treat all income in accordance with the provisions of this Article.

B. “Gross ~~income~~ Income” shall include the following, when actually received, ~~or anticipated to be received~~, by the ~~family~~ Family ~~in order to determine whether the family is needy~~, or by the ~~assistance unit~~ Assistance Unit ~~in order to determine a cash benefit amount~~:

1. Earned ~~income~~ Income from public or private employment, including ~~income~~ In-kind Income, before deductions;
2. For self-employed persons, the sum of gross business receipts, ~~minus business expenses~~; ~~and~~ The Department shall reduce the amount of gross self employment income by 40% when at least one of the following costs of producing self employment income is reported and verified:
 - a. Transportation expenses;
 - b. Cleaning costs or costs for the maintenance of the business location and necessary equipment;
 - c. Business related insurance premiums;

- d. Costs of operating machinery or equipment;
 - e. Costs of stocks or inventories;
 - f. Rent, utilities, or property taxes for the business location;
 - g. Interest and principal paid on the purchase of any of the following:
 - i. Business property,
 - ii. Capital assets,
 - iii. Equipment or machinery,
 - iv. Income producing real estate property, or
 - v. Other durable goods.
 - h. Wages paid to employees, and employer paid benefits;
 - i. Sales taxes collected and paid;
 - j. Other documented expenses, except for any of the following:
 - i. Depreciation,
 - ii. Entertainment expenses, or
 - iii. Net losses from previous periods.
3. Unearned income ~~Income~~, such as ~~benefits~~ Benefits or assistance grants, minus any deductions to repay prior ~~overpayments~~ Overpayments or attorneys' fees.
4. Minus those types of income excluded under ~~R6-12-503~~ R6-12-504.

~~R6-12-502~~R6-12-503. Income Available to the Assistance Unit

- A. The Department shall consider the income of an ~~assistance unit~~ Assistance Unit member available to the ~~assistance unit~~ Assistance Unit for the purpose of determining a ~~cash benefit~~ Cash Benefit amount.

B. The Department shall consider the income of a ~~parent~~ Parent and minor sibling of a ~~dependent child~~ Dependent Child in an ~~assistance unit~~ Assistance Unit as available to the ~~assistance unit~~ Assistance Unit for the purpose of determining a ~~cash benefit~~ Cash Benefit amount when those persons reside with the ~~dependent child~~ Dependent Child. The income shall be considered available even when the ~~parent~~ Parent or minor sibling:

1. Has not requested CA;
2. Is ineligible for CA for failure to comply with an eligibility requirement; or
3. Is ineligible for CA due to disqualification for Intentional Program Violation, as provided in Article 12.

C. The Department shall consider the income belonging to the ~~sponsor~~ Sponsor of a ~~noncitizen~~ Noncitizen, as provided in ~~R6-12-506~~ R6-12-507, available to the ~~assistance unit~~ Assistance Unit for the purpose of determining a ~~cash benefit~~ Cash Benefit amount.

~~R6-12-503~~R6-12-504. Income Exclusions

The Department shall not count the types of income listed in this Section when determining the income of a ~~family~~ Family and the income of an ~~assistance unit~~ Assistance Unit. These income exclusions shall also apply to a ~~parent~~ Parent or minor sibling of a ~~dependent child~~ Dependent Child in an ~~assistance unit~~ Assistance Unit when the ~~parent~~ Parent or minor sibling resides with the ~~assistance unit~~ Assistance Unit but is not an ~~assistance unit~~ Assistance Unit member, and the income type listed in this Section belongs to the ~~parent~~ Parent or minor sibling.

1. Loans;
2. The following types of assistance provided for educational purposes:

- a. Bureau of Indian Affairs (~~B.I.A.~~ BIA) Allowances for educational expenses paid to the participant from Title XIII that directly relates to school expenses;
 - b. Grants, scholarships, and loans, as provided by Title IV or Title XIII of the Higher Education Act;
 - c. Guaranteed loans, and other loans, not funded by the Title IV or Title XIII of the Higher Education Act;
 - d. Student loans (~~SGL~~) that are funded solely by a state and are not federally guaranteed;
 - e. Income paid to the member as a Tribal Loan for educational purposes ~~under Title XIII of the Indian Higher Education Program~~;
 - f. The Montgomery GI bill Chapter 30 and other income paid to the member by the Veteran's Administration for educational purposes;
 - g. Educational income (earnings and living allowances) from Workforce Innovation and Opportunity ~~Investment~~ Act (WIOA) related Summer Component Programs and Job Corps;
 - h. Earnings received from participation in college work study programs funded by Title IV of the Higher Education Act or Title XIII of the Indian Higher Education Program.
- 3. Income tax refunds, including any ~~earned income~~ Earned Income tax credit;
 - 4. Non-recurring cash gifts ~~which that~~ do not exceed \$30, per person in any ~~calendar quarter~~ Calendar Quarter;

5. Cash contributions from other agencies or organizations ~~so long as the contributions~~ provided that the cash contributions are not intended to cover items ~~which~~ that CA is intended to cover, specifically:
- a. Food;
 - b. ~~Shelter, including only rent~~ Rent or mortgage payments;
 - c. Utilities;
 - d. Household supplies, including bedding, towels, laundry, cleaning, and paper supplies;
 - e. Public transportation fares for personal use;
 - f. Basic clothing or diapers; or
 - g. Personal care and hygiene items, such as soap, toothpaste, shaving cream, and deodorant;
6. The face value of Nutrition Assistance ~~benefits~~ Benefits;
7. The value of governmental rent and housing subsidies;
8. ~~The value of energy assistance that is provided:~~
- a. ~~Either in cash or in kind by a government agency or municipal utility, or~~
 - b. ~~In kind by a private non-profit organization;~~
- The amount of energy assistance payments or reimbursements issued under any federal, state, or local law. From the amount issued, the Department shall exclude the full amount of the utility expense for which the payment is issued and shall not exclude any remaining amount;
9. Vendor ~~payments~~ Payments;

10. Vocational rehabilitation program payments made as reimbursements for training-related expenses, subsistence and maintenance allowances, and incentive payments ~~which~~ that are not intended as wages;
11. ~~All income, both earned and unearned,~~ All Earned and Unearned Income received from programs and services authorized by the Workforce ~~Investment~~ Innovation and Opportunity Act, including earnings received from on-the-job training programs;
12. Reimbursements for ~~JOBS~~ Jobs Program training-related expenses, including Fair Labor Standards Act supplements and Unpaid Work Experience supplements;
13. Payments from any fund established in connection with settling liability claims concerning Agent Orange death, Black Lung Benefits or disabilities as specified in Public Law 101-102;
14. Burial benefits ~~which~~ that are dispersed solely for burial expenses;
15. Disaster assistance provided by the Federal Emergency Management Agency, the Federal Disaster Relief Act, or comparable assistance provided by state or local governments, or disaster assistance organizations;
16. Foster care payments;
17. Radiation exposure compensation payments;
18. Income received from Volunteers in Service to America ~~VISTA (VISTA)~~ which that does not exceed the state or federal hourly minimum wage;
19. Benefits from the Special Supplemental Food Program for Women, Infants, and Children (~~WIC~~);

20. Reimbursements for work-related expenses that do not exceed the actual expense amount;
21. Earned ~~income~~ Income of minor ~~family~~ Family members and ~~dependent children~~ Dependent Children who are ~~students~~ Students enrolled in and attending school at least halftime as defined by the institution;
22. Income received from the ~~Americorp~~ AmeriCorps Network Program;
23. Earned Income Tax Credit payments received as a monthly advance with the member's regular wages;
24. Child care payments made to a member as a result of Title IV-A of the Social Security Act, when the payment is a reimbursement. The exclusion applies even when the payment exceeds actual child care expenses as specified in Public Law 100-485;
25. Payments from the Child Care Food Program made to a member who is self-employed as a child care provider;
26. The Earned or Unearned ~~income~~ Income of an SSI ~~recipient~~ Recipient;
27. Subsidy payments provided by the ~~Department's~~ Department of Child Safety (DCS) Guardianship Subsidy Program for children who are placed in the care of a Legal Permanent Guardian;
28. Adoption Subsidy payments made by a federal, state, or local governmental entity on behalf of children with special needs;
29. Dividends, interest, and royalty payments left on deposit or converted into additional securities;

30. Federal Relocation Assistance payments made to a member to relocate because ~~their~~ the member's property was acquired by a federal or federally assisted program;
31. Stipends received by grandparents in the Foster Grandparent Program for past or future expenses;
32. Money given to the ~~family~~ Family or the ~~assistance unit~~ Assistance Unit from a roommate for rent or other shelter expenses that does not exceed the ~~family's~~ Family's or ~~assistance unit's~~ Assistance Unit's rent or shelter expense obligation;
33. Allowances, income, and reimbursements received in the Summer Component Program;
34. The amount designated as attorney fees that is deducted from a member's Workman's Compensation payment;
35. 50% of ~~earned income~~ Earned Income, up to a maximum of \$100 per month, deposited into an Individual Development Account (~~IDA~~) ~~per month~~;
36. Combat zone pay received while serving in the military in a combat zone;
37. Income received while participating in a program authorized by Title I and II of the Domestic Volunteer Services Act of 1973 including the following:
 - a. University Year for Action;₂
 - b. Urban Crime Prevention Program;₂
 - c. Retired Senior Volunteer Program;₂
 - d. Foster Grandparents Program;₂ or
 - e. Senior Companion Program;₂

38. Funds made available to a member on a gift card;
39. ~~A one-time reimbursement of up to \$300 and any monthly payments~~ Payments provided by the ~~Department's~~ DCS Grandparent Kinship Care Support Service program ~~and disbursed by an Area Council on Aging contracted service provider;~~
40. Hemophilia Relief Fund Settlement payments made to hemophiliacs infected with HIV as a result of class action lawsuits;
41. TANF Survey Incentive Payments made by Mathematica, Inc. or other consulting firms as an incentive for participating in a survey to collect statistical information;
42. Funds received from a Public Housing Authority and deposited in a Public Housing Family Self Sufficiency (FSS) escrow account, and any of these funds received prior to completion of the FSS program;
43. Payments made directly to a member to fund an account for the fulfillment of a Plan for Achieving Self Support (~~PASS~~) under Title XVI of the Social Security Act;
44. BIA Payments for clothing allowance, general assistance, Tribal Assistance Project Program or Tribal Work Experience Program;
45. Payments received from the Filipino Veterans Equity Compensation Fund;
46. Voluntary Agency reception and placement payments provided to refugees;
47. Income received from American Indian Claims or Funds, including:
 - a. Alaska Native Claims Settlement Act,
 - b. Apache Mescalero Reservation,
 - c. Colorado River,

- d. Confederated Tribes,
- e. Fox Indians,
- f. Grand River Band of Ottawa,
- g. Hopi Indians - Relocation Assistance,
- h. American Indian Claims Commission Judgments,
- i. Individual American Indian's Interests in Trust or Restricted Land,
- j. Little Colorado River Levee Project,
- k. Navajo Indians - Relocation Assistance,
- l. Passamaquoddy Tribe and the Penobscot Nation,
- m. Relocation Assistance,
- n. Sac Indians,
- o. Settlement for Land,
- p. Tohono O'odham,
- q. Trust Fund Distribution,
- r. Uniform Relocation Assistance and Real Property Acquisition Policy Act
of 1970,
- s. Yakima Indian Nation,

48. Legal Settlements including:

- a. Nazi Persecution payments,
- b. Phen-Fen payments,
- c. Spina Bifida and Covered Birth Defect payments,
- d. USA Patriot Act of 2001 payments

- e. Uniform Services Former Spouse Protection Act payments.
 - f. Victims of Crime Act Benefits.
 - g. Wartime Relocation of Civilians Act payments.
49. Child Support payments received for a child who is disqualified from CA due to either the Family Benefit Cap exclusion or due to the receipt of SSI.
- 44.50. Any other income specifically excluded by applicable state or federal law.

~~R6-12-504~~R6-12-505. Special Income Provisions: Child Support, Alimony, or Spousal Maintenance

A. The Department shall count child ~~support~~ Support, alimony, or spousal maintenance, received by a member of the ~~family~~ Family or the ~~assistance-unit~~ Assistance Unit or a ~~parent~~ Parent or minor sibling of a ~~dependent child~~ Dependent Child in an ~~assistance-unit~~ Assistance Unit, before the initial ~~eligibility-determination-date~~ Eligibility Determination Date, as income in the month received.

B. After the ~~eligibility-determination-date~~ Eligibility Determination Date, and if the application is approved, the Department shall count current child ~~support~~ Support, alimony, or spousal maintenance received on behalf of an ~~assistance-unit~~ Assistance Unit member as income to determine the ~~cash-benefit~~ Cash Benefit amount, when the following conditions are met:

1. Current child ~~support~~ Support, alimony, or spousal maintenance is received by the Department's Division of Child Support Services (DCSS) , on behalf of an ~~assistance-unit~~ Assistance Unit member, a person whose income is considered

available to the ~~assistance-unit~~ Assistance Unit, or a private collection agency;
and

2. DCSE has passed the ~~support~~ Support money on to the ~~assistance-unit~~ Assistance Unit or a person whose income is considered available to the ~~assistance-unit~~ Assistance Unit.

C. After the eligibility approval date, if an ~~assistance-unit~~ Assistance Unit member or a ~~parent~~ Parent or minor sibling whose income is considered available to the ~~assistance-unit~~ Assistance Unit receives child ~~support~~ Support, alimony, spousal maintenance, or medical ~~support~~ Support after assigning to the Department the right to such ~~support~~ Support, and the member fails to turn over the ~~support~~ Support to the Department, the Department shall:

1. Count the ~~support~~ Support received by the ~~assistance-unit~~ Assistance Unit, as provided above in subsection (A); and
2. Sanction the ~~assistance-unit~~ Assistance Unit as provided in R6-12-316.

~~R6-12-505~~R6-12-506. Special Income Provisions: Nonrecurring Lump Sum Income

When an ~~assistance-unit~~ Assistance Unit member or a person whose income is considered available to the ~~assistance-unit~~ Assistance Unit receives a nonrecurring lump sum payment, the Department shall consider the lump sum payment as a ~~resource~~ Resource in accordance with Article 4.

~~R6-12-506~~R6-12-507. Special Income Provisions: Sponsored Noncitizens

- A. For purposes of determining whether any portion of a sponsor's Sponsor's income and ~~resources~~ Resources shall be used when determining the ~~countable income~~

Countable Income for an ~~assistance-unit~~ Assistance Unit that includes a ~~sponsored noncitizen~~ Sponsored Noncitizen member or for a ~~sponsored noncitizen~~ Sponsored Noncitizen person whose income is considered available to the ~~assistance-unit~~ Assistance Unit, the following requirements apply:

1. The ~~sponsored noncitizen~~ Sponsored Noncitizen member shall:
 - a. Be a Lawful Permanent Resident (LPR) who meets the eligible ~~noncitizen~~ Noncitizen criteria; and
 - b. Have applied for or been granted ~~Lawful Permanent Resident~~ LPR status on or after December 19, 1997.
 2. The ~~sponsor~~ Sponsor shall:
 - a. Be an individual and not an organization or group; and
 - b. Have signed an Affidavit of Support (United States Citizen and Immigration Services Form I-864 or I-864A) on behalf of the ~~sponsored noncitizen~~ Sponsored Noncitizen member on or after December 19, 1997.
 3. When the ~~sponsor's~~ Sponsor's spouse resides with the ~~sponsor~~ Sponsor, and has also signed the Affidavit of Support (United States Citizen and Immigration Services Form I-864 or I-864A) on behalf of the ~~sponsored noncitizen~~ Sponsored Noncitizen member on or after December 19, 1997, any portion of the income and ~~resources~~ Resources of the spouse shall also be included for any purpose in this Chapter that requires the income and ~~resources~~ Resources of the ~~sponsor~~ Sponsor.
- B.** The ~~assistance-unit~~ Assistance Unit shall be exempt from the Sponsor income and ~~resource~~ Resource deeming requirement when any of the following apply:

1. The ~~sponsored noncitizen~~ Sponsored Noncitizen is credited with at least 40 countable quarters of employment as provided in 8 U.S.C. 1183(a).
2. The ~~sponsored noncitizen~~ Sponsored Noncitizen ~~violence~~ has been Battered or Subjected to Extreme Cruelty in the United States under 8 U.S.C. 1631(f).
3. The ~~sponsored noncitizen~~ Sponsored Noncitizen is a victim of a severe form of trafficking.
4. The ~~sponsored noncitizen~~ Sponsored Noncitizen becomes a naturalized United States citizen.
5. The ~~sponsored noncitizen~~ Sponsored Noncitizen is age 17 or younger.
6. The ~~sponsor~~ Sponsor is deceased.
7. The Sponsor signed an Affidavit of Support prior to December 19, 1997 or signed an Affidavit of Support other than the I-864 or I-864A.
8. The sponsored LPR applied for or became an LPR before December 19, 1997.
9. The sponsored LPR was not required to have a Sponsor, such as a refugee, asylee, or Cuban or Haitian entrant.
10. The LPR entered in employment or other non-Family categories, where the Sponsor did not have to sign the form I-864 or I-864A.

C. When the ~~assistance unit~~ Assistance Unit is not exempt from the Sponsor income and ~~resource~~ Resource deeming requirement, the Department shall determine whether the ~~assistance unit~~ Assistance Unit is indigent. To determine indigent status, the Department shall determine the ~~countable income~~ Countable Income of the ~~assistance unit~~ Assistance Unit and a cash grant.

1. When determining the amount of ~~Unearned income~~ Income that shall be included in its calculation, the Department shall include:
 - a. The actual amount of cash contributions received from the ~~sponsor~~ Sponsor;
 - b. The cash value of food, clothing, shelter, and utilities provided by the ~~sponsor~~ Sponsor; and
 - c. The cash value of ~~vendor payments~~ Vendor Payments made by the ~~sponsor~~ Sponsor.
 2. When the ~~countable income~~ Countable Income is at least ~~1¢~~ \$0.01 less than 36% of the 1992 ~~federal poverty level~~ Federal Poverty Level for the ~~assistance unit~~ Assistance Unit size, the ~~assistance unit~~ Assistance Unit is considered indigent.
 3. When the ~~assistance unit~~ Assistance Unit is determined to be indigent, the ~~sponsor's income~~ Sponsor's income and ~~resource~~ Resource deeming requirement shall not apply. The Department shall use only the actual amount of cash contributions received from the ~~sponsor~~ Sponsor as ~~countable income~~ Countable Income available to the ~~assistance unit~~ Assistance Unit when determining a cash grant amount.
- D.** When the ~~assistance unit~~ Assistance Unit is not exempt from the ~~sponsor income~~ Sponsor income and ~~resource~~ Resource deeming requirement and is not indigent, the Department shall count the income of the ~~sponsor~~ Sponsor as follows:
1. Determine the countable monthly ~~income~~ Gross Income of the ~~sponsor~~ Sponsor:

- a. Calculate a monthly ~~gross earned income~~ Gross Earned Income amount and deduct 20~~-percent~~% from that amount;
 - b. Calculate a monthly ~~gross unearned income~~ Gross Unearned Income amount; and
 - c. Add the amounts in subsections (D)(1)(a) and (b).
2. Calculate the number of persons living in the home who the ~~sponsor~~ Sponsor claims or could claim as a dependent for federal income tax purposes, including the ~~sponsor~~ Sponsor and the spouse of the ~~sponsor~~ Sponsor;
3. Deduct an amount equal to 100% of the ~~federal poverty level~~ Federal Poverty Level adjusted for the ~~family~~ Family size in subsection (D)(2) from the ~~countable gross~~ Countable Gross monthly ~~income~~ Income calculated in subsection (D)(1)(c);
4. When the ~~sponsor~~ Sponsor has signed more than one Affidavit of Support (United States Citizen and Immigration Services Form I-864 or I-864A) forms, divide the amount calculated in subsections (D)(1) through (3) by the number of I-864 or I-864A forms that have been signed by the ~~sponsor~~ Sponsor; and
5. After deducting the amount prescribed in subsection (D)(3) from the ~~gross income~~ Gross Income calculated in subsection (D)(1)(c) and dividing that amount by the number of Affidavits of Support executed by the ~~sponsor~~ Sponsor, the Department shall include the remaining income amount as ~~countable unearned income~~ Countable Unearned Income available to the ~~assistance unit~~ Assistance Unit.

E. When the ~~assistance unit~~ Assistance Unit is not exempt from the ~~sponsor income~~ Sponsor income and resource deeming requirement and is not indigent, the Department shall consider the ~~resources~~ Resources of the ~~sponsor~~ Sponsor as available to the ~~assistance unit~~ Assistance Unit. When calculating the value of the sponsor's ~~resources~~ Resources, the Department shall:

1. Apply all rules and procedures to the ~~Sponsor's resources~~ Sponsor's Resources in the same manner as is applied to the ~~assistance unit~~ Assistance Unit; and
2. Deduct \$1500 from the calculated value of the ~~sponsor's resources~~ Sponsor's Resources. The resulting amount shall be added to the value of the ~~assistance unit's~~ Assistance Unit's countable resources Resources when determining whether the ~~assistance unit~~ Assistance Unit meets the ~~resource~~ Resource limitations.

F. When an ~~assistance unit~~ Assistance Unit includes both a ~~sponsored noncitizen~~ Sponsored Noncitizen and other members, and the provisions of this Section render the ~~assistance unit~~ Assistance Unit ineligible, the Department shall:

1. Disqualify the ~~sponsored noncitizen~~ Sponsored Noncitizen and determine eligibility of the other members of the ~~assistance unit~~ Assistance Unit without considering the income and ~~resources~~ Resources of the ~~sponsor~~ Sponsor; and
2. Compute a ~~cash benefit~~ Cash Benefit amount with the needs of the ~~sponsored noncitizen~~ Sponsored Noncitizen member excluded from the computation.

G. Verification and Cooperation

1. The Department shall assist the ~~assistance unit~~ Assistance Unit in obtaining any verification of the ~~sponsor's income~~ Sponsor's income, ~~resources~~ Resources, or other information.
 2. When the ~~sponsor~~ Sponsor verification is not obtainable, the Department shall exempt the ~~assistance unit~~ Assistance Unit from the ~~sponsor income~~ Sponsor income and ~~resourcee~~ Resource deeming requirement and complete the eligibility determination.
 3. When the ~~assistance unit~~ Assistance Unit refuses to provide information needed to determine the income and ~~resources~~ Resources of the ~~sponsor~~ Sponsor:
 - a. All ~~sponsored noncitizens~~ Sponsored Noncitizens in the ~~assistance unit~~ Assistance Unit shall be ineligible for assistance.
 - b. The other members of the ~~assistance unit~~ Assistance Unit may be eligible if they meet all other eligibility factors.
- H.** In addition to the change reporting requirements contained in Article 8 ~~2~~ of this Chapter, the ~~assistance unit~~ Assistance Unit shall be required to report the following:
1. A change in ~~sponsor~~ Sponsor or a change in the residence of the ~~sponsor's~~ Sponsor's spouse when the spouse is no longer residing with the ~~sponsor~~ Sponsor.
 2. A change in the employment of the ~~sponsor~~ Sponsor.
 3. The death of the ~~sponsor~~ Sponsor.
- I.** Overpayments. The ~~sponsor~~ Sponsor and the ~~noncitizen~~ Noncitizen are jointly liable for any ~~overpayment~~ Overpayment caused by the provision of incorrect or

incomplete information, unless the ~~sponsor~~ Sponsor had good cause that would make the ~~noncitizen~~ Noncitizen solely liable. Good cause includes:

1. The Department failed to inform the ~~assistance unit~~ Assistance Unit or the ~~sponsor~~ Sponsor that the information was necessary, or
2. Extenuating personal circumstances prevented the ~~sponsor~~ Sponsor from providing necessary information.

~~R6-12-507~~R6-12-508. Determining Monthly Income

A. For each ~~family~~ Family and ~~assistance unit~~ Assistance Unit, the Department shall calculate monthly ~~income~~ Net Income using the methods described in ~~R6-12-508~~ R6-12-509.

~~B.~~ ~~The projected income shall include income that the family and assistance unit, or a person whose income is considered available to the assistance unit has received and reasonably expects to receive in a benefit month, and shall be based on the Department's reasonable expectation and knowledge of the current, past, and future circumstances of the family assistance unit or person whose income is considered available to the assistance unit.~~

~~C.~~B. The Department shall include in its calculation all ~~gross income~~ Gross Income, minus applicable Disregards under R6-12-704, from every source available to the ~~family~~ Family and ~~assistance unit~~ Assistance Unit unless specifically excluded in this Article, by the federal Social Security Act or other applicable state or federal law.

~~D.~~C. The Department shall convert income received more frequently than monthly into a monthly amount as follows:

1. Multiply weekly amounts by 4.3;
2. Multiply bi-weekly amounts by 2.15; or
3. Multiply semi-monthly amounts by two.

~~E.D.~~ The Department shall determine a new calculation of ~~projected income~~ Projected Income:

1. At each review for the ~~needy family~~ Needy Family and the ~~assistance unit~~ Assistance Unit, and
2. When there is a change in ~~countable income~~ Countable Income of an ~~assistance unit~~ Assistance Unit member or a person whose income is considered available to the ~~assistance unit~~ Assistance Unit.

~~R6-12-508~~R6-12-509. Methods to Determine Projected Monthly Income

~~A.~~ The Department shall determine ~~income~~ the Projected Income for a ~~family~~ Family and an ~~assistance unit~~ Assistance Unit by the methods described in this Section.

~~B.A.~~ Averaging income.

1. When using this method, the Department shall add together income from a number of weeks or months and then divide the resulting sum by the same number of weeks or months.
2. The Department shall average income for a ~~family~~ Family, to determine income eligibility, and an ~~assistance unit~~ Assistance Unit, to determine a ~~cash benefit~~ Cash Benefit amount, who receives income:
 - a. Irregularly; or
 - b. Regularly, but from sources or in amounts ~~which~~ that vary.

~~C.B.~~ Prorating income.

1. When prorating income, the Department shall average income over the period of time the income is intended to cover.
2. The Department shall prorate income for a ~~family~~ Family, to determine income eligibility, and an ~~assistance unit~~ Assistance Unit, to determine a ~~cash benefit~~ Cash Benefit amount, who receives income that is intended to cover a fixed period of time. When a person receives income pursuant to a fixed-term employment contract:
 - a. Income shall be counted in the month received, if received monthly or more often, throughout all months of the contract;
 - b. Income shall be prorated over the number of months in the contract if payment is received before or during the time work is performed, but not as specified in subsection (~~C.B.~~)(2)(a);
 - c. Income shall be prorated over the number of months in the contract if payment is received upon completion of the work;
 - d. For CA cases ~~which~~ that fall within subsection (~~C.B.~~)(2)(c), applicable ~~earned income disregards~~ Earned Income Disregards shall apply as if the prorated amounts were received in each month of the contract. The resulting amounts for each month shall then be totaled and counted in the month received as a lump sum pursuant to ~~R6-12-504(C)~~ R6-12-506(D).

~~D.C.~~ Actual income.

1. When using this method, the Department shall use the actual amount of income received in a month and shall not convert the income to a monthly amount pursuant to ~~R6-12-506(D)~~ R6-12-508(D).
2. The Department shall use actual income for a ~~family~~ Family, to determine income eligibility, and an ~~assistance unit~~ Assistance Unit, to determine a Cash Benefit ~~cash benefit~~ amount, who:
 - a. Receives or reasonably expects to receive less than a full month's income from a new source,
 - b. Has lost a source of income, or
 - c. Is paid daily.

~~R6-12-509~~R6-12-510. Income Verification

The Department shall verify all income before determining eligibility and a ~~cash benefit~~ Cash Benefit amount.

ARTICLE 6. SPECIAL CA CIRCUMSTANCES

R6-12-601. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Abuse”</u>	<u>A.R.S. § 8-201</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit” or “Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>

<u>“Calendar Day”</u>	<u>R6-12-101(B)</u>
<u>“Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>A.R.S. § 46-101(8)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Foster Care Maintenance Payment”</u>	<u>R6-12-101(B)</u>
<u>“Foster Child”</u>	<u>R6-12-101(B)</u>
<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>
<u>“Minor Parent”</u>	<u>R6-12-101(B)</u>
<u>“Needy Family”</u>	<u>R6-12-101(B)</u>
<u>“Neglect”</u>	<u>A.R.S. § 8-201</u>
<u>“Nonparent Relative”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>
<u>“Personal Responsibility Agreement”</u>	<u>R6-12-101(B)</u>
<u>“Primary Wage Earning Parent” or “PWEF”</u>	<u>R6-12-101(B)</u>
<u>“Resources”</u>	<u>R6-12-101(B)</u>
<u>“SSI”</u>	<u>R6-12-101(B)</u>
<u>“Two-Parent Employment Program” or “TPEP”</u>	<u>R6-12-101(B)</u>

~~R6-12-601~~R6-12-602. Eligibility for an Adult Only; Caretaker Relative of Excluded Child

- A. ~~A parent or NPCR with only a SSI recipient child, or a child who is receiving federal, state, or local foster care maintenance payments, may be eligible for CA upon meeting the eligibility criteria specified in this Chapter, except as otherwise provided in this Section.~~

The Department shall approve CA for an eligible Assistance Unit in which all otherwise eligible Dependent Children in the Needy Family are excluded from CA due to any of the following, and the Parent or NPCR Head of Household is included in CA grant:

1. The child is an SSI Recipient;
2. The child is a foster care child residing in a licensed foster care placement and is excluded due to the receipt of Foster Care Maintenance Payments; or
3. The child is excluded due to the Family Benefit Cap.

B. The Department shall consider ~~the SSI recipient child, or foster care recipient an excluded~~ child as an ~~assistance unit~~ Assistance Unit member for purposes of qualifying the unit for CA based on ~~need~~ deprivation of parental support. An excluded child shall not be included in the Assistance Unit size when determining income eligibility for a cash grant as prescribed in R6-12-706.

C. If the ~~assistance unit~~ Assistance Unit qualifies for CA pursuant to subsection (B), the Department shall not count the needs, ~~resources~~ Resources, and income of ~~the SSI~~

~~recipient child, or foster care recipient~~ an excluded child, when determining the ~~benefit~~ Benefit amount.

D. Notwithstanding the provisions of R6-12-311, the ~~parent~~ Parent or NPCR of a ~~SSI recipient child, or a foster care recipient~~ an excluded child in section (A), need not assign to the Department any rights to child ~~support~~ Support but shall assign any right to receive alimony or spousal maintenance.

~~R6-12-602~~R6-12-603. Strikers

The Department shall determine CA income eligibility for the ~~family~~ Family, and a ~~benefit~~ Benefit amount for the ~~assistance unit~~ Assistance Unit during a strike period for an ~~assistance unit~~ Assistance Unit member, a person whose income is considered available to the ~~assistance unit~~ Assistance Unit, or a ~~family~~ Family member on strike by using the striker's prestrike monthly income the higher of:-

1. The striker's pre-strike average monthly income; or
2. The union strike pay provided to the striker during the strike period.

~~R6-12-603~~R6-12-604. Dependents of Foster Children

- A. The ~~dependent child~~ Dependent Child of an ineligible ~~foster child~~ Foster Child residing in a ~~needy family~~ Needy Family may be eligible for CA.
- B. To determine a cash benefit amount, the Department shall count all income and ~~resources~~ Resources of the ~~foster child~~ Foster Child and the ~~dependent child~~ Dependent Child, other than the foster care payment, as otherwise provided in this Chapter.

~~R6-12-604~~R6-12-605. Minor Parents Applying As Head of Household

- ~~A.~~ A minor parent means a person who:

1. ~~Is less than 18 years of age;~~
2. ~~Has never married; and~~
3. ~~Is the natural parent of a dependent child living in the same household.~~

~~B.A.~~ . An ~~assistance unit~~ Assistance Unit ~~headed by in which a minor parent~~ Minor Parent is applying as the Head of Household is not eligible for CA, except as provided in subsection (B).

~~C.B.~~ . A ~~minor parent~~ Minor Parent may receive ~~assistance~~ CA as the Head of Household, only when at least one of the following circumstances exists:

1. The ~~minor parent~~ Minor Parent ~~has no living or locatable~~ lives in a Needy Family that includes one of the following:
 - a. ~~Parent~~ The minor parent's Minor Parent's Parent;
 - b. ~~Legal custodian who is related to the minor parent to the degree specified at R6-12-309(A)~~ An adult Nonparent Caretaker Relative; or
 - c. The Minor Parent's legal ~~Legal~~ guardian.
2. The ~~minor parent~~ Minor Parent is legally emancipated;
 - a. ~~A minor parent is emancipated if the minor parent's parent, adult specified relative as defined in R6-12-309(A), or legal guardian has relinquished all control and authority over the minor parent, and no longer provides financial support to the minor parent.~~
 - b. ~~A minor parent shall qualify as an emancipated person if the minor parent:~~

- i. ~~Has lived apart from the parent, adult specified relative, or legal guardian for at least one year before the application for CA;~~
 - ii. ~~Has demonstrated financial independence from the parent, adult specified relative, or legal guardian for at least one year before the application for CA; and~~
 - iii. ~~Has not received CA benefits for each of the 12 consecutive months immediately preceding the month the minor parent applies for CA.~~
 - e. ~~The minor parent shall provide evidence to establish emancipation. Acceptable verification may include:~~
 - i. ~~Rent receipts or other living arrangement statements which establish independent living apart from the parent, adult specified relative, or legal guardian;~~
 - ii. ~~Income statements or income tax records which establish financial independence from the parent, adult specified relative, or legal guardian; or~~
 - iii. ~~Written statements from a parent, relative, or guardian which establish the independent status of the minor parent.~~
3. The physical or emotional health or safety of the ~~minor parent~~ Minor Parent, or the ~~minor parent's~~ Minor Parent's child, would be at risk if the ~~minor parent~~ Minor Parent and the ~~minor parent's~~ Minor Parent's child resided in the home of the ~~minor parent's~~ Minor Parent's parent Parent, legal custodian who is related to

~~the minor parent to the degree specified in R6-12-309(A)~~ other legally responsible adult relative, or legal guardian.

- a. The ~~minor parent~~ Minor Parent shall file a written statement of ~~abuse~~ Abuse or ~~neglect~~ Neglect with the Department.
 - i. ~~Abuse means any behavior defined at A.R.S. § 8-546(A)(2).~~
 - ii. ~~Neglect means any behavior defined at A.R.S. § 8-546(A)(6).~~
- b. The written statement shall include the following information regarding the allegations of ~~abuse~~ Abuse or ~~neglect~~ Neglect:
 - i. The name of the victim;
 - ii. The name of the perpetrator;
 - iii. The dates of the alleged ~~abuse~~ Abuse or ~~neglect~~ Neglect;
 - iv. The nature of the alleged ~~abuse~~ Abuse or ~~neglect~~ Neglect; and
 - v. Whether or not other children living in the home are subject to the ~~abuse~~ Abuse or ~~neglect~~ Neglect.
- c. The FAA shall report all allegations of ~~abuse~~ Abuse or ~~neglect~~ Neglect to ~~Child Protective Services~~ the Department of Child Safety.
- d. The FAA shall accept the ~~minor parent's~~ Minor Parent's written statement of ~~abuse~~ Abuse or ~~neglect~~ Neglect as sufficient evidence that the health or safety of the ~~minor parent~~ Minor Parent, or ~~minor parent's~~ Minor Parent's child, would be at risk pending the outcome of a ~~Child Protective Services~~ Department of Child Safety assessment, unless evidence to the contrary exists.

- e. If ~~Child Protective Services~~ the Department of Child Safety determines the allegation of ~~abuse~~ Abuse or ~~neglect~~ Neglect is valid, the ~~minor parent~~ Minor Parent and the ~~minor parent's~~ Minor Parent's child may receive CA if otherwise eligible under this Chapter.
- f. If ~~Child Protective Services~~ the Department of Child Safety is unable to confirm or refute the allegation of ~~abuse~~ Abuse or ~~neglect~~ Neglect, the ~~minor parent~~ Minor Parent shall remain eligible based on the ~~minor parent's~~ Minor Parent's written statement.
- g. If ~~Child Protective Services~~ the Department of Child Safety determines the allegation of ~~abuse~~ Abuse or ~~neglect~~ Neglect is invalid:
 - i. The Department shall inform the ~~minor parent~~ Minor Parent of the determination and allow the ~~minor parent~~ Minor Parent 60 ~~days~~ Days to return to the home of the ~~parent~~ Parent, custodian, or legal guardian;
 - ii. The Department shall terminate CA Benefits effective the first month following expiration of the 60-~~day~~ Day period; and
 - iii. No ~~overpayment~~ Overpayment shall result for assistance paid based on the ~~minor parent's~~ Minor Parent's written statement of alleged ~~abuse~~ Abuse or ~~neglect~~ Neglect.
- 4. ~~The minor parent lives in a needy family that includes one of the following:~~
 - a. ~~The minor parent's parent,~~
 - b. ~~An adult non-parent caretaker relative, or~~

c. ~~The minor parent's legal guardian.~~

~~5.4.~~ When the ~~minor parent~~ Minor Parent lives with a ~~parent~~ Parent or adult ~~non-parent caretaker relative~~ Nonparent Caretaker Relative who has CA eligible children, the Department shall combine all eligible children into one ~~assistance unit~~ Assistance Unit. The ~~parent~~ Parent, ~~non-parent caretaker relative~~ Nonparent Caretaker Relative, or legal guardian shall serve as the payee.

~~D.C.~~ A ~~minor parent~~ Minor Parent who does not live with a ~~parent~~ Parent, adult ~~non-parent caretaker relative~~ Nonparent Caretaker Relative, or legal guardian ~~must~~ shall meet the ~~needy family~~ Needy Family income eligibility requirements.

~~E.~~ A ~~minor parent, and the minor parent's child, who are ineligible for CA solely due to the provisions of this Section, may receive the following services, if otherwise eligible:~~

- ~~1. AHCCCS,~~
- ~~2. JOBS,~~
- ~~3. Child Care, and~~
- ~~4. Any other program or service for which CA recipients categorically qualify.~~

~~F.D.~~ The provisions of this Section shall not apply to a ~~parent~~ Parent who is under 18 years of age (~~"an underage parent"~~) and who is married or has been married, or is legally emancipated.

~~R6-12-605~~R6-12-606. Unemployed or Underemployed Parents in a Two-parent

Parent Household (TPEP)

A. An ~~assistance unit~~ Assistance Unit ~~with~~ that includes a ~~needy child~~ Dependent Child deprived of parental support because the ~~primary wage-earning parent~~ Primary

Wage-Earning Parent (PWE) is unemployed or underemployed shall receive CA through the Two-~~parent~~ Parent Employment Program (TPEP) ~~if~~ when the ~~assistance unit~~ Assistance Unit meets all of the following eligibility criteria ~~listed in R6-12-609, R6-12-610, R6-12-611,~~ and all other applicable financial and nonfinancial CA eligibility criteria:

~~B.1.~~ Both ~~The~~ of the child's natural or adopted mother and father shall ~~both~~ reside with the child;

~~C.2.~~ Neither ~~parent~~ Parent shall have a physical or mental ~~defect,~~ illness; or impairment that:

1. a. Substantially decreases or eliminates the ~~parent's~~ Parent's ability to support or care for the child; and

2. b. Is expected to last for a minimum of 30 continuous ~~days~~ Days.

3. Each Parent shall be a Work Eligible Individual;

~~D.4.~~ The PWE shall not have ~~refuse~~ refused a bona fide offer of employment or training for employment without good cause, within 30 ~~days~~ Days prior to application. Good cause for refusal is limited to the following circumstances:

1. a. The offered wage was less than minimum wage;

2. b. The ~~parent~~ Parent lacked the physical or mental ability to do the work;

3. c. The ~~parent's~~ Parent's lack of public or private transportation prevented the ~~parent~~ Parent from reporting to the job;

4. d. The ~~parent~~ Parent lacked suitable ~~day~~ dependent care;

- 5.e. The ~~parent~~ Parent was personally providing care for a child under the age of 2 years old at the time of the refusal;
- 6.f. The working conditions would involve undue risk to the ~~parent's~~ Parent's health or safety;
- 7.g. The work lacked workers' compensation protection;
- 8.h. The commuting time to and from work would normally exceed two hours, round trip;
- 9.i. The ~~parent~~ Parent could not accept the job due to illness of the ~~parent~~ Parent or another ~~family~~ Family member;
- 10.j. The offered position was vacant due to a labor strike or lockout;
- 11.k. The ~~parent~~ Parent was incarcerated or making a required court appearance;
- 12.l. Inclement weather prevented the ~~parent~~ Parent from accepting the job or reporting for work; or
- 13.m. The ~~parent~~ Parent was laid off but is expected to return to the prior place of employment within 30 ~~days~~ Days of the date of the job offer.

B. When the Assistance Unit does not meet the criteria in sections A(1), A(2) or A(3) of this rule, the Department shall determine the CA eligibility of the Assistance Unit as a non-TPEP Assistance Unit when any Dependent Child for whom CA is requested is deprived of parental support for a reason other than the unemployment or underemployment of the Primary Wage Earning Parent.

~~R6-12-606~~R6-12-607. TPEP Two-Parent Employment Program: Education and

~~Employment Requirements; Good Cause for Nonparticipation~~

Benefit Payments

~~Each TPEP parent shall participate in an education, training, or employment activity, unless such the parent is exempt because the parent:~~

- ~~1. Is under 18 and is:
 - a. ~~13-15 years old, pregnant or an unwed custodial parent, lacking a high school diploma/GED, and attending full time a secondary, vocational, or technical school or high school equivalency course; or~~
 - b. ~~16 or 17 (or 18 when reasonably expected to complete school before reaching 19), the custodial parent of a minor child, and attending full time a secondary, vocational, or technical school or a high school equivalency course;~~~~
 - ~~2. Is an enrolled tribal member residing within the tribe's specified Tribal JOBS geographic area;~~
 - ~~3. Is working an average of 30 hours or more per week in unsubsidized employment which pays at least minimum wage and shall last at least 30 days.~~
- A. When a TPEP Assistance Unit is eligible for CA, the Department shall notify the Assistance Unit that both Parents shall complete three Days of Jobs Program activities prior to issuance of the initial Benefits. Upon successful completion of this requirement, the Jobs Program shall notify FAA and CA Benefits shall be issued.
- B. The Department shall issue bi-monthly CA Benefits in the amount of one-half of the total monthly Benefit to the Assistance Unit on the first and 15th calendar Days of each month

when the Assistance Unit is in compliance with the assigned Jobs Program work activities and all other provisions in the Personal Responsibility Agreement.

- C. When the Assistance Unit is not in compliance with the assigned Jobs Program work activities without good cause as defined in A.A.C. R6-10-123, or is not in compliance with other provisions in the Personal Responsibility Agreement, the Department shall withhold issuance of CA Benefits until the Assistance Unit complies with the Jobs Program as specified in R6-10-125 or reestablishes compliance with the Personal Responsibility Agreement.

~~R6-12-607~~R6-12-608. TPEP Two-Parent Employment Program: Duration

No ~~assistance unit~~ Assistance Unit may receive TPEP ~~benefits~~ CA Benefits for longer than six months in a 12-month period, except that a TPEP ~~unit~~ Assistance Unit may be granted a three-month extension as provided in R6-10-125, ~~when the JOBS administration requests the extension based on a JOBS determination that there is good cause for the extension. The good cause reasons for JOBS to request an extension are:~~

- ~~1. A parent is enrolled in a vocational educational training program which was approved by JOBS and which can be completed within the three-month extension period;~~
- ~~2. A parent has a bona fide offer of employment that is to begin within the three-month extension period;~~
- ~~3. One parent did not participate in JOBS for one or more months during the six-month period and the JOBS Administration has determined good cause existed as prescribed in R6-10-122, or~~

4. ~~A parent is in an unpaid work experience activity and JOBS expects the parent to be hired within the three-month extension period.~~

ARTICLE 7. DETERMINING ELIGIBILITY AND BENEFIT PAYMENT AMOUNT

R6-12-701. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit Month”</u>	<u>R6-12-101(B)</u>
<u>“Child Only Case”</u>	<u>R6-12-101(B)</u>
<u>“Collateral Contact”</u>	<u>R6-12-101(B)</u>
<u>“Federal Poverty Level”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>A.R.S. § 46-101(8)</u>
<u>“Disregards”</u>	<u>R6-12-101(B)</u>
<u>“Earned Income”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Federal Poverty Level”</u>	<u>R6-12-101(B)</u>

<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>
<u>“Needy Family”</u>	<u>R6-12-101(B)</u>
<u>“Net Income”</u>	<u>R6-12-101(B)</u>
<u>“Nonparent Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>
<u>“Physical or Mental Impairment”</u>	<u>R6-12-101(B)</u>
<u>“Resources”</u>	<u>R6-12-101(B)</u>

~~R6-12-701~~R6-12-702. Income Limitations for a Family

A. A ~~family~~ Family whose ~~net-monthly income~~ Net Income does not exceed the income limitations in subsection (C) or (D) shall be considered a ~~needy-family~~ Needy Family for purposes of determining ~~income~~ Income eligibility for an ~~assistance-unit~~ Assistance Unit.

B. To determine income eligibility, the Department shall calculate the monthly ~~income~~ Net Income of the ~~family~~ Family using the methods listed in ~~R6-12-508~~ R6-12-509.

C. When the monthly ~~income~~ Net Income of the ~~family~~ Family exceeds 100% of the ~~federal-poverty-level~~ Federal Poverty Level for the number of persons in the ~~family~~ Family, the ~~assistance-unit~~ Assistance Unit is ineligible for CA.

D. When the monthly ~~income~~ Net Income of a ~~family~~ Family in which the ~~head of household~~ Head of Household is a ~~non-parent caretaker relative~~ Nonparent Caretaker Relative who is requesting CA only for a ~~dependent child~~ Dependent Child exceeds 130% of the ~~federal poverty level~~ Federal Poverty Level for the number of persons in the ~~family~~ Family, the ~~assistance unit~~ Assistance Unit is ineligible for CA.

E. The income limitations in subsections (C) and (D) shall not apply to a Child Only Case.

~~R6-12-702~~R6-12-703. Eligibility for an Assistance Unit

A. The Department shall determine eligibility for a specific ~~benefit month~~ Benefit Month based on its best estimate of all non-financial, ~~resource~~ Resource, and financial criteria that exist, and are expected to exist, for that month.

B. An ~~assistance unit~~ Assistance Unit is eligible for CA when the Department finds that the unit:

1. Satisfies the nonfinancial eligibility criteria described in this Chapter,
2. Does not exceed the Resource limits described in Article 4, and
3. Resides in a ~~needy family~~ Needy Family, except for a Child Only Case.

~~R6-12-703~~R6-12-704. Earned Income Disregards

For the purpose of determining the monthly ~~income~~ Net Income of a ~~family~~ Family as provided in ~~R6-12-701~~ R6-12-702(C) and (D) for Needy Family income eligibility purposes, and for an ~~assistance unit~~ Assistance Unit to determine a ~~benefit~~ Benefit amount, the Department shall deduct the following ~~earned income disregards~~ Earned Income Disregards from the Earned Income of each employed person in the Family to determine income eligibility, and for employed

Assistance Unit members or an employed Parent of a Dependent Child whose income and Resources are considered available to the Assistance Unit, to determine a Cash Benefit amount.

The Department shall deduct the Earned Income Disregards in the following order:

1. ~~A \$90 work expense allowance for each employed person in the family to determine income eligibility, and for employed assistance unit members or an employed parent of a dependent child whose income and resources are considered available to the assistance unit, to determine a cash benefit amount;~~
2. 30% of any remaining Earned Income after the \$90 work expense allowance has been deducted ~~not already disregarded For each wage earning member of the family, to determine income eligibility, and for each assistance unit, or employed parent of a dependent child whose income and resources are considered available to the assistance unit, to determine a cash benefit amount: 30% of any earned income not already disregarded; and~~
3. ~~The billed amount of expenses billed to, or paid by, an employed member for the care of each dependent child~~ Dependent Child member of the Family ~~or incapacitated an adult member of the family living in the home who has a Physical or Mental Impairment to determine income eligibility, and of the assistance unit~~ Assistance Unit, to determine a ~~cash benefit~~ Cash Benefit amount.
 - a. The Department shall allow the expense as an Earned Income deduction when:
 - i. The expense is necessary to allow the employed person to continue to work, or

- ii. The expense is necessary to allow the employed person to attend postsecondary training or education that is preparatory to employment.
- b. The costs of care provided by a relative may be deducted so long as the relative providing care is not living with the child or adult with a Physical or Mental Impairment receiving care and is not already paid by another source on behalf of the Household.
- c. Allowable dependent care costs include:
 - i. The costs of care given by an individual care provider or care facility;
 - ii. Transportation costs to and from the care facility; and
 - iii. Activity or other fees associated with the care provided to the Dependent Child or adult with a Physical or Mental Impairment that are necessary for the Household to participate in the care.
- ~~a-4.~~ The monthly amount of ~~earned income~~ the Earned Income disregarded as a billed expense for the care of a dependent shall not exceed:
 - i a. \$200 for a child under the age of 2 years, and
 - ii b. \$175 for a child age 2 or older and for an ~~incapacitated~~ adult with a Physical or Mental Impairment.
- ~~b-5.~~ Acceptable verification of the expense shall include:
 - i a. A written statement from the individual or business providing the care for the amount billed; or

ii b. Collateral ~~contact~~ Contact, when documents are not available.

~~4-6.~~ For an ~~assistance-unit~~ Assistance Unit with a child who is excluded from the ~~assistance-unit~~ Assistance Unit pursuant to R6-12-308, an amount equal to the difference between the ~~benefit~~ Benefit amount with the needs of the ineligible child included in the computation and the ~~benefit~~ Benefit amount with the needs of the ineligible child excluded from the computation.

R6-12-~~704~~705. Disqualification from Earnings Disregards; Good Cause

A. The Department shall not apply the ~~earned-income disregards~~ Earned Income Disregards set forth at ~~R6-12-703(1) through (3)~~ R6-12-704 to the ~~earned-income~~ Earned Income of an ~~assistance-unit~~ Assistance Unit member, or an employed ~~parent~~ Parent of a ~~dependent child~~ Dependent Child whose income and ~~resources~~ Resources are considered available to the ~~assistance-unit~~, when the ~~assistance-unit~~ member or ~~parent~~ Parent, without good cause:

1. Terminates employment or reduces the hours of employment within the 30 ~~days~~ Days preceding the ~~benefit month~~ Benefit Month as provided in R6-12-317;
2. Refuses to accept a bona fide offer of employment offered through ~~JOBS~~ the Jobs Program, or by any other employer, within the 30 ~~days~~ Days preceding the ~~benefit month~~ Benefit Month; or
3. Fails to make a timely report of income pursuant to ~~R6-12-901~~ R6-12-903.

B. Good cause includes circumstances beyond the Household's reasonable control, such as illness of the adult member, illness of another Household member requiring the presence of the adult member, or a Household emergency.

~~1. For circumstances applicable to subsections (A)(1) or (2), good cause is limited to:~~

~~a. The circumstances described at A.A.C. R6-10-119(B); or~~

~~b. The circumstances described at A.A.C. R6-10-120(A) and (C), if the person is a TPEP parent.~~

~~2. For circumstances applicable to subsection (A)(3), good cause is limited to the following:~~

~~a. The assistance unit reports and verifies that sickness, accident, or other hardship prevented the unit from reporting timely; or~~

~~b. The mailing date of the change report is timely as prescribed in R6-12-901.~~

~~R6-12-705~~R6-12-706. Determining the Payment Standard; Benefit Payment Amount

A. The Department shall determine whether the Assistance Unit qualifies for an A1 Payment Standard as specified in A.R.S. §46-207.01 and as prescribed in section B of this rule or an A2 Payment Standard as specified in A.R.S. §46-207(D) and as prescribed in section C of this rule.

~~A.B.~~ The Department shall determine the amount of the ~~cash benefit~~ Cash Benefit by subtracting the monthly ~~net income~~ Net Income of the ~~assistance unit~~ Assistance Unit, from 36% of the 1992 ~~federal poverty level~~ Federal Poverty Level for the number of

persons in the ~~assistance unit~~ Assistance Unit, and rounding down the resulting figure to the next whole dollar in any of the following circumstances:

1. The ~~assistance unit~~ Assistance Unit or ~~parent~~ Parent of a ~~dependent child~~ Dependent Child whose income and ~~resources~~ Resources are considered available to the ~~assistance unit~~ Assistance Unit pays, or is obligated to pay, all or part of the shelter costs for the place in which ~~assistance unit~~ Assistance Unit members reside. Shelter costs include:
 - a. Rent;
 - b. Mortgage;
 - c. Property taxes;
 - d. Mobile home space or taxes;
 - e. Homeowner association fees and taxes; or
 - f. The ~~household~~ Household shelter cost obligation is in foreclosure action and the mortgage company will accept back payments;
2. The ~~assistance unit~~ Assistance Unit members reside in subsidized public housing;
3. A member of the ~~assistance unit~~ Assistance Unit or ~~parent~~ Parent of a ~~dependent child~~ Dependent Child whose income and ~~resources~~ Resources are considered available to the ~~assistance unit~~ Assistance Unit works in exchange for rent;
4. The ~~assistance unit~~ Assistance Unit is composed only of a ~~dependent child~~ Dependent Child for whom ~~benefits~~ Benefits were requested by a ~~non-parent caretaker relative~~ NPCR head of household Head of Household; or
5. Assistance is paid in a ~~child-only case~~ Child Only Case.

~~B.C.~~ For all circumstances not covered under subsections ~~(A)~~ (B)(1) through (5), including those when shelter costs are paid for three consecutive months or longer by a person who is not a member of the ~~assistance unit~~ Assistance Unit, or ~~by is not a parent~~ Parent of a ~~dependent child~~ Dependent Child whose income and ~~resources~~ Resources are considered available to the ~~assistance unit~~ Assistance Unit, the Department shall determine the amount of the assistance grant by subtracting the monthly ~~net income~~ Net Income of the ~~assistance unit~~ Assistance Unit from 23% of the 1992 federal poverty level Federal Poverty Level for the number of persons in the ~~assistance unit~~ Assistance Unit, and rounding down the resulting figure to the next whole dollar.

~~C.D.~~ If the ~~benefit amount~~ Benefit Amount is less than \$10, the Department shall not pay Benefits ~~benefits~~; the ~~assistance unit~~ Assistance Unit remains eligible for CA for all other purposes.

~~D.E.~~ The Department shall pay ~~benefits~~ Benefits for the month of application only from the filing date of the application. The ~~benefit amount~~ Benefit Amount is prorated based on the number of ~~days~~ Days remaining in the month after the date of application.

F. If the total monies available for payment of assistance grants are not sufficient to meet the maximum amount for which each Applicant or Recipient is eligible by law, the Department shall notify the Joint Legislative Budget Committee of the insufficiency of monies and shall determine an adjusted cash grant amount as specified in A.R.S. §46-207(B).

~~R6-12-706~~R6-12-707. Notice of Eligibility Determination

- A. If the Department finds that the ~~unit~~ Assistance Unit satisfies all eligibility criteria as specified in this Chapter, the Department shall approve the assistance grant and send notice of approval to the ~~applicant~~ Applicant.
- B. If the Department finds that the ~~unit~~ Assistance Unit does not satisfy ~~+~~ one or more of the eligibility criteria specified in this Chapter, the Department shall send a denial notice to the ~~applicant's~~ Applicant's last known address. The notice shall describe the action taken, the specific authority for the action, and the individual's right to request a ~~hearing~~ Hearing to challenge the action.

ARTICLE 8. PAYMENTS

R6-12-801. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>"Adverse Action"</u>	<u>R6-12-101(B)</u>
<u>"Assistance Unit"</u>	<u>R6-12-101(B)</u>
<u>"Benefit"</u>	<u>R6-12-101(B)</u>
<u>"CA"</u>	<u>R6-12-101(B)</u>
<u>"Day"</u>	<u>R6-12-101(B)</u>
<u>"Department"</u>	<u>R6-12-101(B)</u>
<u>"Electronic Benefit Transfer" or "EBT"</u>	<u>R6-12-101(B)</u>
<u>"FAA"</u>	<u>R6-12-101(B)</u>

<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>
<u>“Office of the Inspector General”</u>	<u>R6-12-101(B)</u>
<u>“Office of Special Investigations”</u>	<u>R6-12-101(B)</u>
<u>“Underpayment”</u>	<u>R6-12-101(B)</u>

~~R6-12-801~~R6-12-802. Expired Benefit Payments

- A. ~~The Department shall pay benefits to an eligible assistance unit only during a month for which the unit is eligible for a payment~~ deposit Benefit payments into an Electronic Benefit Transfer (EBT) account that the Department shall establish for the Household. The primary payee shall be the Head of Household.
1. The Department or its contracted EBT vendor, shall provide the primary payee an EBT card by mail or by in-office issuance and shall provide the cardholder with instructions for selecting a Personal Identification Number (PIN) and instructions for using the EBT card to access and use Benefits. The primary payee may designate up to two adult alternate card holders to have access to, and use of, the Benefits in the EBT account on behalf of the Assistance Unit.
 2. The Department shall provide the EBT card and one replacement card per Calendar Year, if requested, at no cost to the Household. A second or subsequent replacement card shall be issued at the cost of \$5.00 per card issuance and the cost

shall be deducted from the EBT account. The Department shall waive the \$5.00 replacement fee when any of the following apply:

- a. The card was damaged or stolen;
- b. The card is not accessible due to a declared disaster by the President of the United States;
- c. The cardholder is age 60 or older;
- d. The cardholder legally changed the cardholder's name;
- e. The EBT account balance is less than \$5.00; or
- f. When none of the above reasons exist, the Department may waive the fee based on other circumstances reported by the cardholder and determined to be acceptable by the Department.

B. ~~The Department shall make benefit payments in the form of a state warrant, payable directly to the eligible recipient, or to a protective payee, emergency payee, legal guardian, or vendor.~~ appoint an adult emergency payee that shall act as the primary payee for the EBT account:

- 1. At the request of the Arizona Department of Child Safety (DCS) or a Tribal Child Welfare or Tribal Social Services Agency, when DCS or the tribal agency determines that the current primary card holder is not adequately or properly providing for the basic needs of the children in the Household by mismanaging the CA Benefits.
 - a. The emergency payee shall not be a member of the Assistance Unit; and

- b. DCS or the Tribal Social Services Agency shall notify the Department when the need for an emergency payee no longer exists.
- 2. During a disqualification period when the primary payee is disqualified for an Intentional Program Violation or fraud;
- 3. In an emergency when there is not enough time to make any other plans for the care and support of the children in the Household. Emergency situations include:
 - a. Death of the primary payee;
 - b. Abandonment or desertion of the children by the primary payee;
 - c. Incarceration of the primary payee;
 - d. The primary payee is hospitalized or confined to an institution; or
 - e. Any other emergency situation in which the primary payee is unable to provide for the care and basic needs of the children.
- 4. The Department, with the assistance of the primary payee when possible, shall select an emergency payee, who may be any adult other than the following:
 - a. The Department's director;
 - b. FAA eligibility staff;
 - c. An employee in the Department's Office of Special Investigations,
 - d. A Department employee that handles fiscal processes related to the CA program; and
 - e. Landlords, grocers, and other vendors that deal directly with the Assistance Unit.

~~C. The warrant shall bear a statement which shall require the payee to confirm continuing eligibility for benefits when endorsing the warrant for payment.~~

R6-12-803. Inactive Accounts; Unused Benefits

- A. The Assistance Unit shall retain the right to access the EBT account for 180 Days from the original date of Benefit availability, regardless of the status of the CA case.
- B. When the Assistance Unit does not access an EBT account for 90 Days, the Department shall notify the Assistance Unit in writing that:
1. CA Benefits in the EBT account have not been used for 90 Days and the date that the Benefits were either last used or the original date that CA Benefits were deposited into the EBT account if the CA Benefits have never been used; and
 2. When the CA Benefits in the EBT account have not been used for 180 Days from the date that the Benefits were either last used or the original date that CA Benefits were deposited into the EBT account if the CA Benefits have never been used, the Department shall expunge the CA Benefits, and the Assistance Unit shall lose all rights to regain those Benefits

~~R6-12-803~~R6-12-804. Expired Supplemental Payments

- A. The Department shall correct ~~underpayments~~ Underpayments by issuing the ~~assistance unit~~ Assistance Unit a supplemental payment, regardless of whether the ~~individual assistance unit~~ Assistance Unit who was underpaid is eligible on the date the supplemental payment is issued.

B. The Department shall not count such supplemental payments as a Resource or as income.

R6-12-805. ~~Expired~~ Prohibited Use of the EBT Card; Penalty

A. Pursuant to A.R.S. § 46-297, the Head of Household and any person authorized by the Head of Household, shall not conduct an EBT card transaction at any of the following:

1. A liquor store as defined in A.R.S. § 46-297;
2. A commercial horse racing or dog racing facility as defined in A.R.S. § 5-101;
3. A casino, gambling casino or gaming establishment or a gaming facility located on Indian lands pursuant to section A.R.S. § 5-601.02;
4. An adult oriented entertainment establishment as defined in A.R.S. § 46-297;
5. A medical marijuana dispensary; and
6. Any retail establishment for the purchase of a lottery ticket.

B. A person that violates subsection A is guilty of a class 1 misdemeanor.

~~R6-12-806. Protective Payee~~

~~A. The Department shall pay benefits to a protective payee who is not a member of the assistance unit:~~

- ~~1. On behalf of all unit members when a state or tribal protective service agency notifies FAA that the recipient is mismanaging or misappropriating benefits; or~~
- ~~2. On behalf of all unit members other than the designated recipient when the recipient is disqualified for IPV or fraud.~~

~~B. The Department, with the assistance of the recipient, shall select a protective payee, who may be any adult other than the following:~~

- ~~1. The Department's director,~~
- ~~2. A Department eligibility interviewer,~~
- ~~3. An employee in the Department's Office of Special Investigations,~~
- ~~4. A Department employee who handles fiscal processes related to the CA program,~~
~~and~~
- ~~5. A vendor of goods or services who deals directly with the recipient.~~

~~C. Except in cases of mismanagement, the Department shall continue paying benefits to the recipient if the Department cannot locate a suitable payee, after exhausting reasonable efforts to do so.~~

~~D. Protective payments shall terminate:~~

- ~~1. In cases of mismanagement, upon a determination by the protective services agency that such payments are no longer required to avoid further mismanagement; and~~
- ~~2. In all other cases, when the recipient cooperates with the requirement that caused the onset of protective payments.~~

R6-12-806. Out of State Use of the EBT Card; Limitations; Penalties

A. When an Assistance Unit uses more than 10% of the EBT card balance in out-of-state EBT transactions, including ATM withdrawals, within a six consecutive month period the Department shall notify the Assistance Unit in writing that the Assistance Unit is required to contact the Department to review the Assistance Unit's out of state EBT usage and

shall provide a date by which such contact shall be made. The notification shall also inform the Assistance Unit that failure to comply with this requirement shall result in termination of CA.

B. When the Assistance Unit timely contacts the Department, the Department shall:

1. Verify the identity of the adult Head of Household or other adult member who has contacted the Department;
2. Review the out of state EBT usage and document the reasons provided for such usage; and
3. Verify that the Assistance Unit continues to reside in Arizona. When Arizona residency cannot be verified the Department shall initiate an investigation by the DES Office of the Inspector General.

C. When the Assistance Unit fails to timely contact the Department, or the DES Office of the Inspector General investigation results confirm that the Assistance Unit does not reside in Arizona, the Department shall terminate CA and send the Assistance Unit a notice of Adverse Action.

R6-12-807. Emergency Payee Repealed

~~A. The Department may pay benefits to a person acting as representative for, or on behalf of, a caretaker relative who was receiving benefits for a dependent child, when the relative:~~

- ~~1. Dies;~~
- ~~2. Abandons or deserts the child;~~
- ~~3. Is incarcerated, or~~

4. ~~Is committed to a hospital for the mentally ill.~~

~~B. The Department can make payments to the emergency payee for 90 days, or until a case plan is developed for the dependent child, whichever first occurs.~~

~~R6-12-808. Identification Card~~ Repealed

~~Upon request by a recipient, the Department shall issue the recipient an identification card or an electronic benefit transfer card at no cost. The Department shall keep a photograph of the recipient in the recipient's file after issuing an identification card or an electronic benefit transfer card.~~

ARTICLE 9. CHANGES;~~ADVERSE ACTION~~

~~R6-12-901. Reporting Changes~~ Repealed

~~A. As a condition of eligibility, the assistance unit shall advise the Department of all changes in income, resources, or other circumstances which may affect eligibility or benefit amount, within 10 days from the date the change becomes known.~~

~~B. A change report is considered timely if the mailing date is the tenth day from the date the change becomes known.~~

R6-12-901. Location of Definitions

A. Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

"Adverse Action"

R6-12-101(B)

"Appeal"

R6-12-101(B)

<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit” or “Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Day”</u>	<u>R6-12-101(B)</u>
<u>“Case Record”</u>	<u>R6-12-101(B)</u>
<u>“Crossmatch Report”</u>	<u>R6-12-901(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Federal Poverty Level” or “FPL”</u>	<u>R6-12-101(B)</u>
<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Intentional Program Violation” or “IPV Claim”</u>	<u>R6-12-101(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>
<u>“Questionable Information”</u>	<u>R6-12-901(B)</u>
<u>“Resources”</u>	<u>R6-12-101(B)</u>
<u>“Simplified Change Reporting”</u>	<u>R6-12-101(B)</u>

“Standard Change Reporting” R6-12-101(B)

“Two-Parent Employment Program” or “TPEP” R6-12-101(B)

“Unclear Information” R6-12-901(B)

“Verified Upon Receipt” R6-12-901(B)

B. The following definitions apply to Article 9.

1. “Crossmatch Report” means an interface with other sources.
2. “Questionable Information” means information received by the Department from an Assistance Unit that is inconsistent with other statements, information on the current or previous applications, Case Record documentation, or with information received by the Department from a third party.
3. “Unclear Information” means information received by the Department from a third party that is not Verified Upon Receipt and for which additional information from the Household is needed to determine its effect on the Assistance Unit’s CA eligibility or Benefit amount.
4. “Verified Upon Receipt” means the information received by the Department from a third party is not unclear, and is sufficient to allow the Department to determine its effect on the Assistance Unit’s CA eligibility and Benefit amount.

R6-12-902. ~~Withdrawing a Member from the Assistance Unit~~ Repealed

- A.** ~~A caretaker relative may request that an assistance unit member be removed from the unit~~

~~by filing, with the Department, a written request which shall identify the member to be withdrawn, the reason for the request, and the date the request is effective.~~

~~B. The Department shall acknowledge receipt of a withdrawal request and advise the unit in writing within 10 days of receipt of the withdrawal request of the effect of the request, as specified below.~~

~~C. If the request does not identify a specific member, the Department shall apply the request to the entire assistance unit and terminate benefits.~~

~~D. If the person being withdrawn is a mandatory member of the assistance unit, the Department shall deem the entire assistance unit ineligible and terminate benefits.~~

~~E. If the person being withdrawn is not a mandatory member of the assistance unit, the Department shall redetermine eligibility and benefits in accordance with the provisions of this Chapter.~~

~~F. If the request does not specify an effective date, the Department shall take appropriate action effective the 1st month after the month in which the Department receives the request.~~

~~G. Department action taken in response to a request for withdrawal of a member does not require a notice of adverse action but does require adequate notice and is appealable.~~

R6-12-902. Change Reporting Requirements

Upon approval of CA, the Department shall assign to an Assistance Unit either a Standard or Simplified Change Reporting requirement.

A. The Department shall assign a Standard Change Reporting requirement when any of the following occur:

1. All members of the Assistance Unit are receiving Nutrition Assistance program Benefits under Title 6, Chapter 14 of the Arizona Administrative Code and the Nutrition Assistance Household has been assigned a Standard Change Reporting requirement in that program; or

2. The Assistance Unit is receiving CA in the TPEP component.

B. The Department shall assign a Simplified Change Reporting requirement to an Assistance Unit that is not assigned a Standard Change Reporting requirement.

R6-12-903. Determining Benefits When Adding or Removing a Member Repealed

~~A. When the Department receives a request to add a member to the assistance unit, or is required to add a mandatory member, the Department shall redetermine eligibility including the added member.~~

~~1. If the new member renders the unit ineligible and is not a mandatory member, the Department shall advise the unit of the consequences and permit the unit to withdraw its request to include the new member.~~

~~2. If the new member renders the unit ineligible and is a mandatory member, the unit is ineligible. The Department shall provide adequate and timely notice.~~

~~3. If the unit remains eligible, the Department shall add the new member, effective the date the Department receives the request to add the member, and shall include the new member's income in the budget.~~

~~B. In the month a new member is added, the assistance unit may be eligible for an additional benefit amount or liable for an overpayment. To determine the unit's entitlement or liability, the Department shall:~~

- ~~1. Recalculate the unit's benefit amount with the new member, as provided in R6-12-704;~~
- ~~2. Subtract the current benefit amount (without the new member) from the new benefit amount; and~~
- ~~3. Take the resulting amount;~~
 - ~~a. If above 0, prorate it, as provided in R6-12-704(C), to determine the benefit amount due the unit;~~
 - ~~b. If 0, pay no benefit; or~~
 - ~~c. If below 0;~~
 - ~~i. Write an overpayment for the month of application, if the member is mandatory; or~~
 - ~~ii. If the member is not mandatory, allow the unit to add the member the following month, so as to avoid an overpayment for the current month.~~

R6-12-903. Change Reporting Timeframes

A. At the eligibility interview, all Applicants shall report any changes that have occurred from the application file date through the interview date.

B. Upon approval of Benefits, an Assistance Unit shall report all changes required in the assigned change reporting requirement no later than the 10th Day of the month following the month the change occurred.

~~R6-12-904.~~ Benefit Reduction or Termination Repealed

- A.** ~~Any change in any factor which the Department considers when determining eligibility or benefit amount may result in reduction or termination of benefits, consistent with the provisions of this Chapter.~~
- B.** ~~The Department shall terminate benefits if the assistance unit fails to complete the 6-month review required by R6-12-210.~~

R6-12-904. Change Reporting; Types of Changes

A. An Assistance Unit that is assigned a Standard Change Reporting requirement shall report any changes to the following:

1. Residential address;
2. Shelter costs;
3. Dependent care expenses;
4. Deprivation of parental support as defined in R6-12-310;
5. Income;
6. Marital status;
7. Assistance Unit members;
8. Resources; and
9. School Attendance for Assistance Unit members age six through 15.

B. The Department shall require an Assistance Unit that is assigned a Simplified Change Reporting requirement to report only a change in income, when the monthly Net Income of the Assistance Unit exceeds the A1 Payment Standard amount under R6-12-706(B). The Department shall inform the Assistance Unit of this monthly Net Income amount on the approval notice under R6-12-707(A). The Assistance Unit shall report all other changes under R6-12-904(A) at the next eligibility review under R6-12-209.

R6-12-905. Ineligibility Date for an Assistance Unit Repealed

~~An assistance unit's ineligibility begins at the time described below:~~

- ~~1. On the first day of the same month in which any of the following events occurs:~~
 - ~~a. Acquisition of resources in excess of the resource limitations specified in Article~~
 - ~~b. Receipt of lump sum income as set forth in R6-12-505, or~~
 - ~~c. A new assistance unit member or a person whose income and resources are considered available to the assistance unit moves into the home and renders the assistance unit ineligible for a cash benefit.~~
- ~~2. On the first day of the first month benefits can be terminated following timely notice of adverse action for failure to comply with a six-month eligibility review.~~
- ~~3. On the first day of the first month in which the assistance unit is not eligible on the date CA benefits are paid when the unit is rendered ineligible for reasons not specified in subsections (1) or (2).~~

R6-12-905. Change Reporting Methods

An Assistance Unit shall report a change to the Department utilizing any of the following methods:

1. In person;
2. By telephone;
3. By mail;
4. By fax; or
5. Online.

~~R6-12-906. Ineligibility Date for an Individual Member of an Assistance Unit Repealed~~

~~Ineligibility for an individual member of an assistance unit begins on the 1st day of the 1st month in which the member is not eligible on the date CA benefits are paid when the member is rendered ineligible for any reason.~~

R6-12-906. Changes Reported by a Third Party

A. The Department shall evaluate all information received through automated cross matches with other agencies, provided to the Department through a Cross Match Report, or any other means by which a third party provides information to the Department. Prior to processing a change resulting from information provided by a third party, except for information provided from a prisoner verification cross match or Cross Match Report or from a deceased person cross match or Cross Match Report, the Department shall:

1. Evaluate whether the reported information contains Unclear Information;
2. Evaluate whether the reported information is Verified Upon Receipt; or
3. Send a notice to the Assistance Unit requesting verification of the information that was provided to the Department when information is provided by a prisoner verification cross match or Cross Match Report or a deceased person cross match or Cross Match Report.

B. The Department shall postpone verification of Unclear Information and shall not process a change based on the Unclear Information until the Assistance Unit's next scheduled eligibility review, unless:

1. The Unclear Information directly conflicts with information that was available and used by the Department at the time of the most recent application approval; or
2. The Unclear Information is a change that the Assistance Unit is required to report based on its assigned reporting requirement and the change occurred less than 60 Calendar Days from the date the Unclear Information was received by the Department.

C. The Department shall process all changes affecting CA eligibility and CA Benefit amounts resulting from federal or state legislative or regulatory changes.

D. When the Department receives information from a third party, other than Unclear Information for which the Department shall postpone verification, and an evaluation of the information indicates a potential change affecting CA eligibility or the CA Benefit amount, the Department shall:

1. Send a written request for required verification to the Assistance Unit unless the information provided by a third party is considered to be Verified Upon Receipt;
2. Allow the Assistance Unit no less than 10 Days from the date of the request to provide required verification;
3. Review all verification provided; and

4. Effect the change in accordance with R6-12-907, based on the verification provided, or close the case if verification is not received after allowing no less than 10 Days to provide the required verification.

R6-12-907. Effecting Changes

- A. When processing a change, the Department shall determine whether the change results in an increase in CA Benefits, a decrease in CA Benefits, no change to the current CA Benefit, or termination of assistance.
- B. The Department shall increase the Benefits only when there is sufficient verification provided to effect the Benefit increase.
 1. When there is sufficient verification provided with the reported change, the Department shall increase the Benefits effective the month after the month the change was reported.
 2. When the reported change contains Questionable Information or verification is needed to effect the change, the Department shall send a request for such verification to the Assistance Unit and allow the Assistance Unit 10 Days from the date of the request to provide the verification. When the verification is provided timely, the Department shall increase the Benefits effective the month after the month the change was reported.
 3. When the requested verification is provided untimely, the Department shall increase the Benefits effective the month following the month the verification was provided.
 4. When a reported change that would result in a Benefit increase is not verified, the

Department shall continue the Benefits at the level prior to the reported change when the verification affects only the Benefit amount and is not required to determine continued CA eligibility.

5. When the requested verification is not provided and continued CA eligibility cannot be determined, the Department shall terminate CA and provide the Assistance Unit with an advance notice of Adverse Action in accordance with R6-12-908.

C. When a reported change results in a decrease in Benefits or in CA ineligibility, the Department shall:

1. Effect the change allowing for an advance notice of Adverse Action in accordance with R6-12-908, when there is sufficient information provided with the reported change, or
2. Request verification from the Assistance Unit when the reported change contains Questionable Information or there is not sufficient information provided with the reported change in order to effect the change.
 - a. When the requested verification is received timely, the Department shall decrease or terminate CA effective the first possible month allowing for an advance notice of Adverse Action in accordance with R6-12-908.
 - b. When the requested verification is received after the due date, but prior to the effective date of termination, the Department shall decrease the Benefits effective the month following the month the verification was received.

- c. When the requested verification is not received on or before the due date the Department shall terminate CA effective the first month allowing for an advance notice of Adverse Action in accordance with R6-12-908.
- 3. When the reported change results in a decrease in Benefits or results in CA ineligibility and the Assistance Unit includes an optional member, the Department shall:
 - a. Determine the new Benefit amount with the change effected for the current Assistance Unit.
 - b. Determine the new Benefit amount with the optional member removed from the Assistance Unit.
 - c. Inform the Head of Household of both results and allow the Head of Household to decide whether to remove the optional member or to effect the change for the current Assistance Unit.
 - d. When the requested verification is not received on or before the due date the Department shall effect the change that results in the minimal decrease in Benefits, allowing for an advance notice of Adverse Action in accordance with R6-12-908.
- D. When a change reported by the Assistance Unit results in no change in Benefits or CA eligibility, the Department shall notify the Assistance Unit of that result.

~~R6-12-908. Referral for Investigation Repealed~~

~~FAA shall refer a case to OSI for investigation when:~~

- ~~1. An applicant or recipient refuses to cooperate as required pursuant to R6-12-302;~~

- ~~2. An applicant or recipient refuses to sign a statement attesting to forgery of a signature on a cashed warrant;~~
- ~~3. The Department has valid reason to suspect that an act has been committed for the purpose of deception, misrepresentation, or concealment of information relevant to a determination of eligibility or the form or amount of a benefit payment; or~~
- ~~4. The FAA suspects the commission of theft or fraud related to CA or any conduct listed in A.R.S. § 46-215.~~

~~R6-12-907~~R6-12-908. Notice of Adverse Action

- A. ~~When the Department plans to take adverse action against an assistance unit,~~Prior to reducing the CA Benefit amount or prior to CA termination, the Department shall provide the ~~assistance unit~~ Assistance Unit with ~~a adequate and timely advance notice of Adverse Action,~~ except as provided in subsection (C). The advance notice of Adverse Action shall contain each of the following :
1. The Adverse Action to be taken by the Department and the reason for the adverse action;
 2. The effective date of the Adverse Action;
 3. The name and telephone number of the Department office to contact for additional information;
 4. The telephone number for free client legal services; and
 5. The Appeal rights of the Assistance Unit.
- B. The Department shall mail ~~such~~ the advance notice of Adverse Action ~~1st class by first-class mail,~~ postage prepaid, or otherwise transmit the notice as provided by law, to

the last known residential address for the ~~assistance unit~~ Assistance Unit, or other designated address for the ~~assistance unit~~ Assistance Unit ~~unit as allowed pursuant to R6-12- 802(A)~~ so that the Department can reasonably expect the Assistance Unit to receive the notice at least 10 Days prior to the first Day of the month in which the reduction or termination of Benefits shall occur.

~~C.~~ In addition to the information listed in ~~R6-12-101(1)~~, the notice shall contain the following information:

- ~~1. The date the adverse action is effective;~~
- ~~2. The names of the eligible and ineligible persons in the unit, if changed by the intended action; and~~
- ~~3. Any effect the intended action may have on the unit members' AHCCCS medical eligibility.~~

~~D.C.~~ The Department may dispense with the timely advance notice of Adverse Action but shall ~~provide adequate notice of adverse action~~ mail, first-class, postage prepaid, or otherwise transmit as provided by law, a notice of Adverse Action to the last known residential address for the Assistance Unit or other designated address for the Assistance Unit, so that the Department can reasonably expect the Assistance Unit to receive the notice no later than the first Day of the month in which the reduction or termination of Benefits shall occur, when any of the following occur:

1. The Department has information confirming the death of an Assistance Unit member;
- ~~1-2. A recipient or~~ The primary payee dies and no emergency payee is available;

- ~~2.3.~~ A ~~recipient~~ Recipient makes a written or verbal request for termination;
- ~~3.4.~~ A ~~recipient~~ Recipient is ineligible ~~due to incarceration, hospitalization, or institutionalization in a skilled nursing care or intermediate care facility; because of admission to a facility where the Recipient's needs are being met. This includes:~~ a. Incarceration;
- b. Long-term hospitalization when the Recipient is not expected to return to the home; and
- c. Institutionalization in a skilled nursing care or intermediate care facility.
- ~~4.5.~~ The ~~recipient's~~ Recipient's address is unknown;
- ~~5.6.~~ The Department has verified that the ~~recipient~~ Recipient has been accepted for assistance in another state;
- ~~6.7.~~ A ~~CA child~~ minor Assistance Unit member is legally removed from home or voluntarily placed in foster care by the child's ~~parent~~ Parent or legal guardian; ~~or~~
- ~~7.~~ ~~The recipient furnishes information which results in reduction or termination of assistance and indicates in writing an understanding of the consequences that may result from furnishing such information.~~
- ~~8.~~ A Recipient is disqualified due to an Intentional Program Violation; or
- ~~9.~~ The Assistance Unit is receiving CA in the TPEP component and the CA Benefit is withheld or the CA is terminated due to noncompliance with the Jobs Program.

ARTICLE 10. APPEALS AND FAIR HEARINGS

R6-12-1001. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Adverse Action”</u>	<u>R6-12-101(B)</u>
<u>“Agency Conference”</u>	<u>R6-12-101(B)</u>
<u>“Appeal”</u>	<u>R6-12-101(B)</u>
<u>“Appellant”</u>	<u>R6-12-101(B)</u>
<u>“Appellate Services Administration” or “ASA”</u>	<u>R6-12-101(B)</u>
<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit”</u>	<u>R6-12-101(B)</u>
<u>“Business Day” or “Business Hours”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Calendar Day”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“De Novo Proceeding”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Electronic Benefit Transfer or EBT”</u>	<u>R6-12-101(B)</u>
<u>“Excusable Neglect”</u>	<u>R6-12-101(B)</u>
<u>“FAA”</u>	<u>R6-12-101(B)</u>
<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>

<u>“Hearing” or “ Fair Hearing”</u>	<u>R6-12-101(B)</u>
<u>“Mailing Date”</u>	<u>R6-12-101(B)</u>
<u>“Notice Date”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
<u>“Office of Appeals”</u>	<u>R6-12-101(B)</u>
<u>“Party”</u>	<u>R6-12-101(B)</u>
<u>“Recipient”</u>	<u>R6-12-101(B)</u>
<u>“Subpoena”</u>	<u>R6-12-101(B)</u>
<u>“Underpayment”</u>	<u>R6-12-101(B)</u>

R6-12-1002: Request for Hearing; Form; Time Limits Repealed

- ~~A. A person who wishes to appeal an adverse action shall file a written request for a fair hearing with a local FAA office, within 20 days of the adverse action notice date.~~
- ~~B. A request for a hearing is deemed filed:~~
 - ~~1. On the date it is mailed, if transmittal via the United States Postal Service or its successor. The mailing date is as follows:~~
 - ~~a. As shown by the postmark;~~
 - ~~b. As shown by the postage meter mark of the envelope in which it is received, if there is no postmark; or~~
 - ~~c. The date entered on the document as the date of its completion, if there is no postmark, or no postage meter mark, or if the mark is illegible.~~
 - ~~2. On the date actually received by the Department, if not sent through the mail as provided in subsection (B)(1).~~

~~C. The submission of any document shall be considered timely if the appellant proves that delay in submission was due to Department error or misinformation, or to delay caused by the U.S. Postal Service or its successor.~~

~~D. Any document mailed by the Department shall be considered as having been given to the addressee on the date it is mailed to the addressee's last known address. The date mailed shall be presumed to be the date shown on the document, unless otherwise indicated by the facts. Computation of time shall be made in accordance with Rule 6(a) of the Rules of Civil Procedure.~~

~~E. The Office of Appeals shall deny any request that is not timely filed. A party may request an appeal on the timeliness of an appeal.~~

~~R6-12-1001~~R6-12-1002. Entitlement to a Hearing; Appealable Action

~~A. An applicant for or recipient of CA is entitled to a hearing to contest the following Department actions:~~

- ~~1. Denial of the right to apply for assistance;~~
- ~~2. Complete or partial denial of an application for assistance or for supplemental benefits;~~
- ~~3. Failure to make an eligibility determination on an application within 45 days of the application date;~~
- ~~4. Suspension, termination, reduction, or withholding of benefits except as provided in subsection (B);~~
- ~~5. The existence or amount of an overpayment attributed to the unit or the terms of a plan to repay the overpayment;~~

6. ~~Changing the manner or form of payment including naming a protective payee to receive the benefit payment; or~~
7. ~~Denial or termination of child care benefits.~~

Any Applicant, Recipient, or Head of Household who disagrees with any action or inaction by the Department that affects the participation of the Household in the program has the right to challenge the action or inaction by requesting a Hearing. Hearings are conducted by the Department's Office of Appeals.

- B.** ~~Applicants and recipients are not entitled to a hearing to challenge benefit adjustments made automatically as a result of changes in federal or state law, unless the Department has incorrectly applied such law to the individual seeking the hearing.~~

R6-12-1003: Hearing Requests; Preparation and Processing Repealed

- A.** ~~The Department shall advise the appellant of any free legal services available to assist the appellant in completing the request for appeal. If the appellant so requests, the Department shall assist the appellant in preparing the request.~~

- B.** ~~Within 2 working days of receiving a request for appeal, the local FAA office shall notify the Office of Appeals of the hearing request.~~

- C.** ~~Within 10 days of receiving a request for appeal, the local FAA office shall prepare and forward to the Office of Appeals a prehearing summary which shall include:~~

1. ~~The appellant's name (and case name, if different);~~
2. ~~The appellant's SSN (or case number, if different);~~
3. ~~The local office responsible for the appellant's case;~~

- ~~4. A brief summary of the facts surrounding, and the grounds supporting, the adverse action;~~
- ~~5. Citations to the specific provisions of the Department's CA manual which support the Department's action; and~~
- ~~6. The decision notice and any other documents relating to the appeal.~~
- ~~D. The local office shall mail the appellant a copy of the summary.~~
- ~~E. Upon receipt of a hearing request, the Office of Appeals shall schedule the hearing as prescribed in R6-12-1006.~~

R6-12-1003. Computation of Time

- A. In computing any time period:**
 1. The Department does not count the date of the act, event, notice, or default from which a designated time period begins to run as part of the time period; and
 2. The Department counts the last Day of the designated time period. When the Day falls on a Saturday, Sunday, federal holiday or Arizona state holiday, the last Day is the first Working Day following that Day.
- B. Documents sent by the Department are considered received by an Applicant or Recipient on the date sent to the Applicant or Recipient's last known street or e-mail address, plus an additional five calendar Days only when sent by U.S. mail. The send date is the date shown on the document unless the facts show otherwise.**

R6-12-1004. Request for Hearing: Form; Time Limits; Presumptions

- A. A request for Hearing is defined as a clear expression, oral or written, by the Applicant, Recipient, or Head of Household or such person's representative to the effect**

that the person wishes to Appeal a decision or Adverse Action, or that an opportunity to present the person's case to a higher authority is desired. If it is unclear from the person's request what action the person wishes to Appeal, the Department may request the person to clarify the grievance.

B. An Applicant, Recipient, Head of Household, or representative that wishes to Appeal an action or inaction shall make an oral or written request for a Hearing to the Department within 35 Days of the notice date advising the Applicant, Recipient, or Head of Household of the action. An Applicant, Recipient, or Head of Household may file a request for Hearing in-person or by mail, fax, phone, or online. The Department shall provide a form for this purpose. Upon request, the Department shall help an Applicant, Recipient, or Head of Household to file an Appeal. If the Applicant, Recipient, or Head of Household makes an oral request for a Hearing, the Department shall accept the oral request, record in writing the date of the request and the stated reasons for the Hearing and forward the request to the Office of Appeals. The freedom to make a request for a Hearing shall not be limited or interfered with in any way.

C. An Appellant is a person who has filed an Appeal or otherwise requested a formal Hearing to resolve a dispute.

D. The Department shall process any oral or written request for a Hearing that contains sufficient information for the Department to determine the Appellant's identity.

E. The Department deems a request for Hearing filed:

1. If the Appellant sends the request for Hearing by first-class mail through the United States Postal Service to the Department:

- a. On the Mailing Date as shown by the postmark;
 - b. In the absence of a postmark, on the postage meter mark on the envelope in which it is received; or
 - c. If not postmarked or postage meter marked or if the mark is illegible, on the date entered on the document as the date of completion.
2. If the Appellant makes the request in person or by phone, on the date the Department receives the request.
- F.** A document is timely filed if the Appellant can demonstrate that any delay in submission was due to any of the following reasons:
- 1. Department error or misinformation;
 - 2. Delay or other action by the United States Postal Service; or
 - 3. Delay due to the Appellant's changing mailing addresses at a time when the Appellant had no duty to notify the Department of the change.
- G.** When the Office of Appeals receives an untimely request for a Hearing, the Office of Appeals shall determine whether the delay in submission is excusable, as provided in subsection (F).
- H.** An Appellant that files an Appeal with the Office of Appeals and is denied because it is considered untimely may petition for review of this issue as provided in R6-12-1017.
- I.** The Department shall provide interpreters or other language services at no cost when a person's primary language is a language other than English. This shall include

explaining the Hearing procedures orally in the person's language if the materials are not translated into the person's language.

J. The Department shall offer the Appellant or its representative an Agency Conference which may lead to an informal resolution of the dispute. The Department shall advise the Appellant or the representative that the use of an Agency Conference is optional and that it shall not delay or replace the ~~fair hearing~~ Fair Hearing process. A ~~fair hearing~~ Fair Hearing shall still be held unless the Appellant makes a withdrawal of its request for a Hearing.

R6-12-1005: Hearing Officer; Qualifications; Duties; Subpoenas Repealed

~~A. An impartial hearing officer in the Department's Office of Appeals shall conduct all hearings.~~

~~B. The hearing officer shall:~~

- ~~1. Administer oaths and affirmations;~~
- ~~2. Regulate and conduct the hearing in an orderly and dignified manner, which avoids undue repetition and affords due process to all participants;~~
- ~~3. Ensure that all relevant issues are considered;~~
- ~~4. Exclude irrelevant evidence from the record;~~
- ~~5. Request, receive, and incorporate into the record all relevant evidence;~~
- ~~6. Order, when relevant and useful to a resolution of the issue in a case, an independent medical assessment or professional evaluation from a source mutually satisfactory to the appellant and the Department;~~

- ~~7. Upon compliance with the requirements of subsection (C), subpoena witnesses or documents needed for the hearing;~~
- ~~8. Open, conduct, and close the hearing;~~
- ~~9. Rule on the admissibility of evidence at a hearing;~~
- ~~10. Direct the order of proof at the hearing;~~
- ~~11. For good cause shown, and upon the request of an interested party, or on the hearing officer's own motion, take such action as the hearing officer deems necessary to the proper disposition of an appeal, including, without limitation, the following:~~
 - ~~a. Recuse or disqualify himself from the case;~~
 - ~~b. Continue the hearing to a future time or date;~~
 - ~~c. Prior to entry of a final decision, reopen the hearing to take additional evidence;~~
 - ~~d. Deny or dismiss the appeal or request for hearing in accordance with the provisions of this Article;~~
 - ~~e. Exclude non-party witnesses from the hearing room; and~~
- ~~12. Issue a written decision deciding the appeal.~~
- ~~C. Subpoenas.~~
 - ~~1. A party who wishes to subpoena a witness, document, or other physical evidence shall make a written request which shall describe:~~
 - ~~a. The case name and number;~~
 - ~~b. The party requesting the subpoena;~~

- c. ~~The name and address of any person to be subpoenaed, with a description of the subject matter of the witness's anticipated testimony; and~~
 - d. ~~A description of any documents or physical evidence to be subpoenaed, and the name and address of the custodian of the document or physical evidence.~~
- 2. ~~The party requesting the subpoena shall make the request at least 5 work days before the scheduled hearing date.~~
 - 3. ~~The hearing officer shall deny the request if the witness's proposed testimony is not relevant to the issues in the hearing.~~
 - 4. ~~The Office of Appeals shall prepare all subpoenas and serve them by certified mail, return receipt requested.~~
- ~~D. An appellant may request a change in hearing officer if the appellant so requests at least 10 days prior to the hearing. The appellant is limited to 1 request.~~

~~R6-12-1004~~R6-12-1005. Stay of Adverse Action Pending Appeal; Exceptions

- A. If an appellant Appellant timely files a request for appeal a Hearing as specified in R6-12-1004 (B) or prior to the effective date of the Adverse Action within 10 calendar days of the adverse action notice date, and the Assistance Unit's approval period has not expired, the Department shall stay imposition of the adverse the action and continue benefits at the current level under Appeal until the Hearing Official renders a final decision on the Appeal and the person receives the decision unless except in any of the following circumstances:

1. The ~~appellant~~ Appellant ~~specifically waives continuation of current requests that the benefits~~ Benefits not be continued;
2. ~~The appeal results from a change in federal or state law which mandates an automatic grant adjustment for all classes of recipients and does not involve a misapplication of the law;~~ A determination is made at the Hearing that the sole issue is one of State or Federal law or policy, or change in State or Federal law and not one of incorrect grant computation; and
3. A change affecting the Recipient's CA grant that is unrelated to the Appeal occurs while the Hearing decision is pending and the Recipient fails to request a Hearing after notice of the change that is unrelated to the Appeal.
3. ~~The appellant is requesting continuation of TPEP benefits for longer than 6 months within a 12-month period; or~~
4. ~~The appellant is requesting continuation of benefits for longer than 24 months within any consecutive 60-month period.~~
- B.** ~~The adverse action shall be stayed until receipt of an official written decision in favor of the Department, except in the following circumstances:~~
 1. ~~At the hearing and on the record, the hearing officer finds that: the sole issue involves application of law, and the Department properly applied the law and computed the benefits due the appellant;~~
 2. ~~A change in eligibility or benefit amount occurs for reasons other than those being appealed, and the assistance unit receives and fails to timely appeal a notice of adverse action concerning such change;~~

- ~~3. Federal or state law mandates an automatic grant adjustment for classes of recipients;~~
- ~~4. The appellant withdraws the request for hearing; or~~
- ~~5. The appellant fails to appear for a scheduled hearing without prior notice to the Office of Appeals, and the hearing officer does not rule in favor of the appellant based upon the record.~~

B. The Department shall promptly inform the Appellant in writing if CA is to be discontinued pending the Hearing decision.

C. Upon receipt of a decision in favor of the Department, the Department shall write an ~~overpayment~~ Overpayment for the amount of any ~~benefits~~ Benefits the ~~unit~~ Assistance Unit received in excess of the correct Benefit amount, while the stay was in effect.

~~D.~~ ~~If the appellant files a request for appeal more than 10 days after, but within 20 days of, the adverse action notice date, the Department may take the adverse action while the appeal is pending. If the Office of Appeals then~~ Hearing Official rules in favor of the ~~appellant~~ Appellant, the Department shall issue a supplemental payment to the ~~appellant~~ Appellant to cure any ~~underpayment~~ Underpayment within 10 ~~days~~ Days from the date of the ~~hearing~~ Hearing decision.

~~R6-12-1006: Hearings: Location; Notice; Time~~ Repealed

~~A.~~ ~~The Office of Appeals shall schedule the hearing at the office location most convenient to the interested parties.~~

~~B. The Office of Appeals shall issue all interested parties a notice of the first hearing at least 10 calendar days before the hearing. The appellant may waive the 10-day notice period or request a continuance.~~

~~C. The notice of hearing shall be in writing and shall include the following information:~~

- ~~1. The date, time, and place of the hearing;~~
- ~~2. The name of the hearing officer;~~
- ~~3. The issues involved in the case;~~
- ~~4. A statement listing the appellant's rights, as follows:~~
 - ~~a. To appear in person or by telephone;~~
 - ~~b. To have a representative present the case;~~
 - ~~c. To copy, at a reasonable time prior to the hearing or during the hearing, any documents in the appellant's case file which are relevant to the issues being heard, and all documents the Department may use at the hearing;~~
 - ~~d. To obtain assistance from the local FAA office to prepare for the hearing; and~~
 - ~~e. To obtain, from the local FAA office, information on available community legal resources who may be able to represent the appellant.~~

R6-12-1006. Hearings: Location; Notice; Time

~~A. The Office of Appeals shall schedule the Hearing. The Hearing shall be conducted telephonically unless a Party requests an in-person Hearing by making a request to the Office of Appeals at least five days prior to the scheduled Hearing date.~~

B. Unless the Appellant requests an earlier Hearing date, the Office of Appeals shall schedule the Hearing no earlier than 20 Days from the date the Department receives the Appellant's request for Hearing.

C. The Office of Appeals shall send a notice of Hearing to all parties at least 20 Days before the Hearing date, unless a request for an earlier Hearing date is granted under subsection B.

D. The notice of Hearing shall be in writing, sent to each Party via the United States Postal Service (USPS) or its successor, or electronically with consent, and shall:

1. Specify the date and time of the Hearing;
2. Include information on how to request an in-person Hearing;
3. Advise the Appellant or the Appellant's representative of the name, address, and phone number to notify the Office of Appeals in the event it is not possible for the Appellant to attend the Hearing;
4. Specify that the Office of Appeals will dismiss the Hearing request if the Appellant or the Appellant's representative fails to appear for the Hearing without good cause;
5. Include the Office of Appeals Hearing procedures and any other information that would provide the Appellant with an understanding of the proceedings and that would contribute to the effective presentation of the Appellant's case; which shall include a pre-Hearing summary prepared by the Department;
6. Inform the Appellant that the Appellant may request a change of Hearing Official one time automatically or anytime for cause as set forth in R6-12-1009;

7. Explain that the Appellant or the Appellant's representative may examine the case file prior to the Hearing and information about the Appellant's rights as contained in R6-12-1011; and
8. The notice shall include information about the availability of free legal services.

R6-12-1007: Rescheduling the Hearing Repealed

- ~~A. An appellant may request a continuance of the hearing by calling or writing the Office of Appeals and providing good cause as to why the hearing should be postponed.~~
- ~~B. The Office of Appeals must receive the request at least 5 work days before the scheduled hearing date and may deny an untimely request or a request which fails to establish good cause.~~
- ~~C. When a hearing is rescheduled, the Office of Appeals shall provide appropriate notice to all interested parties.~~

R6-12-1007. Postponing the Hearing

- A. The Appellant may request and is entitled to receive one postponement of the first scheduled Hearing. The postponement shall not exceed 30 Days and the time limit for action on the decision may be extended for as many Days as the Hearing is postponed. The Office of Appeals may grant subsequent postponements upon a showing of good cause.
- B. When the Office of Appeals reschedules a Hearing under this Section, the Office of Appeals shall send the notice of rescheduled Hearing at least 11 Days prior to the date of the rescheduled Hearing, unless the Appellant agrees to shorter notice.

R6-12-1008. Hearings Concerning Disability Determinations Repealed

- ~~A. A person who appeals an adverse determination of disability may ask to receive another medical examination before the hearing.~~
- ~~B. Upon receipt of such a request, the FAA local office shall schedule the examination with a licensed physician, psychologist, or psychiatrist. If the appellant does not designate a particular examiner, the Department may choose.~~
- ~~C. At any time prior to issuing a decision, the hearing officer may ask the District Medical Consultant to schedule the appellant for a special diagnostic evaluation by a specialist.~~
- ~~D. Upon receipt of a report on the special evaluation, the hearing officer may, but is not required to, have the District Medical Consultant evaluate the report and render an opinion on the appellant's disability and employability.~~
- ~~E. The hearing officer may consider, but is not bound by, the Medical Consultant's opinion, which shall qualify as an expert medical opinion.~~
- ~~F. In deciding the appeal of a disability determination, the hearing officer shall consider:
 - ~~1. All medical, social, and vocational reports which are relevant to the issue of disability; and~~
 - ~~2. The appellant's testimony as to the appellant's physical and medical condition or symptomatology.~~~~

R6-12-1008. Hearing Official: Duties and Qualifications

- A. An impartial Hearing Official in the Office of Appeals shall conduct all Hearings.

B. The Hearing Official shall:

- 1. Administer oaths and affirmations;**
- 2. Regulate the conduct and course of the Hearing consistent with due process to insure an orderly Hearing;**
- 3. Consider all relevant issues;**
- 4. Request, receive, and admit into the record all evidence determined relevant to decide the issues being raised;**
- 5. Order, where relevant, an independent medical assessment or professional evaluation from a source mutually satisfactory to the Appellant and the Department. The Hearing Official shall decide on the source of the medical assessment or professional evaluation when the Appellant and the Department are unable to agree on a mutually satisfactory source. The Department shall pay for the medical assessment or professional evaluation when such services are not available to the Appellant as part of the Appellant's current health insurance coverage;**
- 6. Render a Hearing decision and issue a written decision reversing, affirming, modifying or remanding the agency's decision; and**
- 7. Issue subpoenas pursuant to R6-12-1010.**

~~R6-12-1009. Group Hearings Repealed~~

~~The Department may conduct a single group hearing on individual requests for a hearing, under the following circumstances:~~

- ~~1. The sole issue in each case is interpretation of the same question of federal or state law or policy;~~
- ~~2. Each appellant may present or have an authorized representative present his or her own case;~~
- ~~3. Any appellant may withdraw from the group hearing and obtain an individual hearing.~~

R6-12-1009. Change of Hearing Official; Challenges for Cause

- A. A Party may request a change of Hearing Official as prescribed in A.R.S. § 41-1992(B) by filing a written request with the Office of Appeals that includes:
 1. The case name and number;
 2. The Hearing Official assigned to the case; and
 3. The name and signature of the Party requesting the change.
- B. The Party requesting the change shall file the written request with the Office of Appeals and send a copy to all other parties at least five Business Days before the scheduled Hearing date.
- C. A Party may request only one change of Hearing Official unless that Party is challenging a Hearing Official for cause under subsection (D).
- D. A Party who brings a challenge for cause shall file a request as provided in (A) and send a copy of the request to all other parties. The request shall explain the reason why the assigned Hearing Official is not considered to be impartial or disinterested.
- E. If a Hearing Official is challenged for cause:

1. Prior to a Hearing, the Hearing Official's supervisor shall hear and decide the challenge unless the assigned Hearing Official disqualifies themselves from the Hearing.

2. During a Hearing, the Hearing Official shall evaluate whether a conflict exists and if the Hearing Official will be replaced.

F. ASA shall transfer the case to another Hearing Official when:

1. A Party requests a change as provided in (A) and (B), or

2. A Hearing Official is removed for cause as provided in (D).

G. The ASA shall send the parties written notice of the new Hearing Official assignment.

R6-12-1010. Withdrawal of Appeal; Default Repealed

~~A. An appellant may voluntarily withdraw an appeal at any time prior to the scheduled hearing by signing a written statement expressing the intent to withdraw. The Department shall make a withdrawal form available for this purpose.~~

~~B. An appellant may involuntarily withdraw an appeal by failing to appear at the scheduled hearing.~~

~~1. Except as provided in subsection (C), the hearing officer may enter a default decision dismissing the appeal if the appellant fails to appear at a scheduled hearing.~~

~~2. When the appellee fails to appear at the hearing, the hearing officer may rule summarily on the available record or may adjourn the hearing to a later date and time.~~

- ~~3. If, within 10 days of the scheduled hearing date at which the appellant failed to appear, the appellant files a written request to reopen the proceedings and establishes good cause for non-appearance, the hearing officer shall reopen the proceedings and reschedule the hearing with notice to all interested parties.~~
- ~~4. Good cause, for the purpose of reopening a hearing, is established if the failure to appear at the hearing and the failure to timely notify the hearing officer were beyond the reasonable control of the nonappearing party.~~
- ~~C. The hearing officer shall not enter a default if the appellant gives notice, prior to the scheduled time of hearing, that the appellant is unable to attend the hearing, due to good cause, and still wishes the hearing or to have the matter considered on the available record.~~

R6-12-1010. Witnesses and Subpoenas

- A. A Party may ask the assigned Hearing Official to issue a subpoena for a witness, document, or other physical evidence or to otherwise obtain the requested evidence.
- B. The Party seeking the subpoena shall send the Office of Appeals a written request for a subpoena. The request shall include:
 1. The case name and number;
 2. The name of the Party requesting the subpoena;
 3. The name and address of any person to be subpoenaed;
 4. A description of any documents or physical evidence the Appellant desires the Hearing Official to subpoena, including the title, appearance, and location of the

item if the Appellant knows the item's location, and the name and address of the person in possession of the item; and

5. A statement about the expected substance of the testimony or other evidence as well as the relevance and importance of the requested testimony or other evidence.

C. A Party shall request a subpoena at least five Working Days before the Hearing date. A Party who is unable to request a subpoena at least five Days before the Hearing date may request a postponement of the Hearing. A Party may raise the denial of a subpoena request in a petition for review to the Appeals Board, pursuant to R6-12-1017.

D. The Hearing Official shall deny the request if the witness's testimony or the physical evidence is not relevant to an issue in the case or is duplicative.

E. The Office of Appeals shall prepare all subpoenas and serve the subpoenas by mail, except that the Office of Appeals may serve subpoenas on state employees who are appearing in the course of the state employee's jobs, by regular mail, hand-delivered mail, e-mail, or interoffice mail.

~~R6-12-1011: Hearing Proceedings Repealed~~

~~A. Standard of review and burden of proof:~~

~~1. The hearing is a de novo proceeding. To prevail on appeal, the appellant must prove eligibility or entitlement to benefits by a preponderance of the evidence.~~

~~2. The Department has the initial burden of going forward with presentation of the evidence.~~

~~B. Appearance by parties and representatives:~~

- ~~1. An appellant may appear by telephone or submit a written statement under oath, instead of appearing personally at the hearing. The appellant shall file the personal statement with all other witness statements and documents the appellant wishes to offer in evidence, with the Office of Appeals before the time of the hearing.~~
- ~~2. The FAA worker, FAA supervisor, or FAA hearing specialist, or another appropriate person may testify for the Department at the hearing.~~
- ~~C. Evidence and argument.~~
 - ~~1. The appellant may testify, present evidence, cross-examine witnesses, and present arguments.~~
 - ~~2. The hearing officer shall exclude from the record any irrelevant evidence.~~
- ~~D. The record.~~
 - ~~1. The hearing officer shall keep a full and complete record of all proceedings in connection with an appeal. The appellant or the appellant's designated representative may inspect the record on appeal at any reasonable time.~~
 - ~~2. The Department need not transcribe the record unless it is required for further proceedings.~~
 - ~~3. If the record is transcribed, the appellant is entitled to receive a copy at no charge.~~

R6-12-1011. Household's Rights During Hearing

The Appellant or the Appellant's representative shall be given adequate opportunity to:

1. Examine all documents and records to be used at the Hearing at a reasonable time prior to the Hearing as well as during the Hearing. The contents of the case file including

the application form and documents of verification used by the Department to establish the Assistance Unit's ineligibility or eligibility and allotment shall be made available, provided that confidential information about the Household without its knowledge or the nature or status of pending criminal procedures, is protected from release. If requested by the Appellant or its representative, the Department shall provide a free copy of the portions of the case file that are relevant to the Hearing. Confidential information that is protected from release and other documents or records that the Appellant or its representative will not otherwise have an opportunity to contest or challenge shall not be introduced at the Hearing or affect the Hearing Official's decision;

2. Present the case or have it presented by legal counsel or another person;
3. Bring witness;
4. Advance arguments without undue interference;
5. Question or refute any testimony or evidence, including an opportunity to confront and cross-examine adverse witnesses; or
6. Submit evidence to establish all pertinent facts and circumstances in the case by mail, fax, delivery or electronically.

~~R6-12-1012: Hearing Decision; Time Limits; Form; Contents; Finality Repealed~~

~~A. No later than 90 days after the date the appellant files a request for appeal, the hearing officer shall render a written decision based solely on the evidence and testimony produced at the hearing and applicable federal and state law. The time limit is extended for any delay caused by the appellant.~~

~~B. The decision shall include:~~

- ~~1. Findings of facts pertinent to the issue;~~
 - ~~2. Citations to the law and authority applicable to the case;~~
 - ~~3. A statement of conclusions derived from the controlling facts and law, and the reasons for the conclusions; and~~
 - ~~4. A statement of further appeal rights available to the appellant and the time period for exercising those rights.~~
- ~~C. The Office of Appeals shall mail or deliver a copy of the decision to each interested party or such party's attorney of record.~~
- ~~D. The hearing officer's decision is the final decision of the Department, unless a party files a timely request for reconsideration or further appeal.~~

R6-12-1012. Withdrawal of an Appeal

- A. An Appellant may withdraw an Appeal in writing or orally, either in person or by telephone at any time prior to the time the Hearing Official issues a decision. The Department shall make a withdrawal form available for this purpose. The Department is prohibited from coercion or actions that would influence the person or the person's representative to withdraw the Fair Hearing request. The Department shall provide a written notice confirming the withdrawal request and providing the person an opportunity to reinstate a Hearing. The notice shall explain the person's right to request or reinstate the Hearing within 10 Days of the date the notice is received.
- B. The Office of Appeals shall dismiss the Appeal when the Appellant or the Appellant's representative provides a signed withdrawal request to the Department or to the Hearing Official prior to the issuance of a Hearing decision or when the Appellant or

the Appellant's representative makes such a request on the record during a Hearing, or orally as provided in (A)(1).

R6-12-1013. Implementation of the Decision Repealed

~~A. If the decision requires a local office to take further action, such action shall occur within 10 calendar days of the date of the decision.~~

~~B. All decisions in favor of the appellant apply retroactively to the date of the action being appealed or the date stated by the hearing officer in the written decision.~~

~~C. If the decision affirms the Department's decision to take adverse action, the Department shall treat any resulting overpayment as a client-caused, non-fraud overpayment.~~

R6-12-1013. Failure to Appear; Default; Reopening

A. If an Appellant fails to appear at the Hearing, the Hearing Official shall:

1. Enter a default and issue a decision dismissing the Appeal, except as provided in subsection (B);
2. Rule summarily on the available record; or
3. Adjourn the Hearing to a later date and time.

B. The Hearing Official shall not enter a default or rule summarily if the Appellant notifies the Office of Appeals before the scheduled time of Hearing that the Appellant cannot attend the Hearing because of good cause and still desires a Hearing or wishes to have the matter considered on the available record. Good cause means that the failure to appear at the Hearing and the failure to timely notify the Hearing Official were beyond the reasonable control of the Appellant; good cause also exists when the non-appearing

Party demonstrates excusable neglect, as used in Arizona Rules of Civil Procedure, Rule 60(b)(1).

C. A Party that did not appear at the Hearing may file a request to reopen the proceedings no later than 10 Days after the Hearing. The request shall be in writing, by mail, fax, e-mail, or be made in person or by telephone and shall demonstrate good cause for the Party's failure to appear.

D. If the Hearing Official finds that the Party had good cause for failure to appear, the Hearing Official shall reopen the proceedings and schedule a new Hearing with notice to all interested parties as prescribed in R6-12-1006.

E. If the Hearing Official cannot grant or deny the request to reopen the proceedings based on the information provided, the Hearing Official shall set the matter for a Hearing to determine whether the Party had good cause for failure to appear.

F. Good cause, for the purpose of reopening a Hearing, is established if the failure to appear at the Hearing and the failure to timely notify the Hearing Official were beyond the reasonable control of the nonappearing Party. Good cause also exists when the nonappearing Party demonstrates Excusable Neglect, as used in Arizona Rules of Civil Procedure, Rule 60(b)(1) for both the failure to appear and the failure to timely notify the Hearing Official.

~~R6-12-1014. Further Appeal and Review of Hearing Decisions; Stay of Adverse Action~~

Repealed

~~A. A party may appeal an adverse hearing decision to the Department's Appeals Board.~~

- ~~1. The party shall file a written petition for review with the Office of Appeals within 15 calendar days of the mailing date of the hearing officer's decision.~~
 - ~~2. The petition shall state the grounds for review and be signed and dated.~~
 - ~~3. The petition is deemed filed:~~
 - ~~a. On the date it is mailed, if transmittal via the United States Postal Service or its successor. The mailing date is as follows:~~
 - ~~i. As shown by the postmark;~~
 - ~~ii. As shown by the postage meter mark of the envelope in which it is received, if there is no postmark; or~~
 - ~~iii. The date entered on the document as the date of its completion, if there is no postmark, or no postage meter mark, or if the mark is illegible.~~
 - ~~b. On the date it is hand-delivered to the Office of Appeals.~~
- ~~**B.** When a party timely appeals a hearing decision, the Department shall stay implementation of the adverse action until the Appeals Board issues a decision and treat any resulting overpayment as a client-caused, non-fraud overpayment.~~

R6-12-1014. Hearing Proceedings

- A.** The Hearing is a De Novo Proceeding. The Department has the initial burden of presenting the evidence to support the Adverse Action being Appealed.
- B.** The standard of proof is a preponderance of the evidence.
- C.** The Arizona Rules of Evidence do not apply at the Hearing. The Hearing Official may admit and give probative effect to evidence as prescribed in A.R.S. § 41-1062(A).

D. The Office of Appeals shall audio record all Hearings. The Office of Appeals shall also transcribe the proceedings when a transcription is requested by the Appeals Board or when a transcription is required for judicial review under A.R.S. § 41-1993. If a transcript is prepared for any purpose, the Appellant is entitled to a copy of the transcription at no cost.

E. A Party may, at the Party's own expense, arrange to have a court reporter present to transcribe the Hearing, provided that such transcription does not delay or interfere with the Hearing. The Office of Appeals' recording of the Hearing shall constitute the official record of the Hearing.

F. The Hearing Official shall call the Hearing to order and dispose of any pre-Hearing motions or issues.

G. With the consent of the Hearing Official, the parties may stipulate to factual findings or legal conclusions.

H. A Party may advance arguments without undue interference.

I. A Party may testify, present evidence, call witnesses, cross-examine adverse witnesses, and object to evidence. The Hearing Official may also take witness testimony or admit evidence on the Hearing Official's own motion.

J. The Hearing Official shall keep a complete record of all proceedings in connection with an Appeal.

K. The Hearing Official may request the parties to submit memoranda on issues in the case if the Hearing Official finds that the memoranda would assist the Hearing

Official in deciding the case. The Hearing Official shall establish a briefing schedule for any required memoranda.

L. The recording of the Hearing, all the evidence presented at the Hearing, and all papers and requests filed shall constitute the record and shall be available to the Appellant or its representative at any reasonable time for copying and inspection.

R6-12-1015. Appeals Board Proceedings and Decision Repealed

~~A. Upon receipt of a request for further review, the Office of Appeals shall transcribe the record of hearing and transfer the record to the Appeals Board.~~

~~B. The Appeals Board may decide the appeal based solely on the record of proceedings before the hearing officer or, if the Board is unable to decide the appeal on the available record, the Board may remand the case for rehearing, specifying the nature of any additional evidence required or any further issues for consideration, or conduct a hearing at the Appeals Board to take additional evidence.~~

~~C. The Appeals Board shall issue, and mail to all parties, a final written decision affirming, reversing, or modifying the hearing decision and specifying the parties' right to seek further review.~~

R6-12-1015. Hearing Decision

A. No later than 60 Days after the date the Appellant files a request for Hearing with the Department, the Hearing Official shall render a decision based solely on the evidence and testimony produced at the Hearing and the applicable law. The 60-Day time limit is extended for any delay necessary to accommodate Hearing continuances or extensions, or postponements requested by a Party.

B. The Hearing decision shall include:

1. Findings of fact concerning the issue on Appeal;
2. Citations to the law and authority applicable to the issue on Appeal;
3. A statement of the conclusions derived from the controlling facts and law and the reasons for the conclusions;
4. The name of the Hearing Official;
5. The date of the decision;
6. A statement of further Appeal rights, a statement of the process required to initiate a further Appeal, and the time period for exercising those rights; and
7. That an Appeal may result in a reversal of the decision.

C. The Office of Appeals shall send a copy of the decision to each Party or the Party's representative.

D. When requested by the Appellant, the Department, or upon the Hearing Official's own motion, the Office of Appeals may amend or vacate a decision to correct clerical errors, including typographical and computational errors.

R6-12-1016. Effect of the Decision

A. If the Hearing Official affirms the Adverse Action against the Appellant, the Adverse Action is effective as of the date of the initial determination of Adverse Action by the Department. The Adverse Action remains effective until the Appellant Appeals and obtains a higher administrative or judicial decision reversing or vacating the Hearing Official's decision.

B. If the Hearing Official vacates or reverses the Department's decision to take Adverse Action, the Department shall not take the action or shall reverse any Adverse Action, unless the Department Appeals and obtains a higher administrative or judicial decision reversing or vacating the Hearing Official's decision.

C. To implement the decision, the Department shall:

1. For decisions that result in an increase in Assistance Unit Benefits:
 - a. Reflect the increase in the Assistance Unit's EBT Benefit account within 10 Days of the receipt of the Hearing decision; or
 - b. The Department may take longer than 10 Days if it elects to make the decision effective in the Household's normal issuance cycle, provided that the issuance will occur within 60 Days from the request for the Hearing.
2. For decisions that result in a decrease in Benefits the Department shall reflect the decrease in the Assistance Unit's EBT Benefit account in the next scheduled issuance following receipt of the Hearing decision.

R6-12-1017. Further Administrative Appeal

A. A Party can Appeal an adverse decision issued by a Hearing Official to the Department's Appeals Board as prescribed in A.R.S. § 41-1992(C) and (D) by filing a written petition for review with the Office of Appeals within 15 Days of the mailing or transmittal date of the Hearing Official's decision.

B. The petition for review shall:

1. Be in writing and filed in person or by mail or fax;
2. Describe why the Party disagrees with the Hearing Official's decision; and

3. Be signed and dated by the Party or the Party's representative.

R6-12-1018. Appeals Board

- A.** The Appeals Board shall conduct proceedings in accordance with A.R.S. § 41-1992(D) and A.R.S. § 23-672.
- B.** The Appeals Board shall issue to all Parties a final written decision affirming, reversing, setting aside, or modifying the Hearing Official's decision based on the complete record, including the audio recording or the transcript of the Hearing. The decision of the Appeals Board shall specify the Parties' rights to further review and the time for filing an application for Appeal.
- C.** An Appellant adversely affected by an Appeals Board decision may seek judicial review under A.R.S. § 41-1993.

ARTICLE 11. ~~OVERPAYMENTS~~ CLAIMS AGAINST ASSISTANCE UNITS;

OVERPAYMENTS

R6-12-1101. Definitions and Location of Definitions

- A.** Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

"Applicant" R6-12-101(B)

"Assistance Unit" R6-12-101(B)

"Benefit" R6-12-101(B)

<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Electronic Benefit Transfer or EBT”</u>	<u>R6-12-101(B)</u>
<u>“FAA”</u>	<u>R6-12-101(B)</u>
<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Hearing” or “Fair Hearing”</u>	<u>R6-12-101(B)</u>
<u>“Intentional Program Violation” or “IPV Claim”</u>	<u>R6-12-101(B)</u>
<u>“Needy Family”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
<u>“Recipient”</u>	<u>R6-12-101(B)</u>
<u>“Wage Garnishment”</u>	<u>R6-12-101(B)</u>

B. In addition to the definitions in Section A, the following definitions also apply to this

Article:

1. “Agency Error” or “AE Claim” means any Claim for an Overpayment caused by an action or failure to take action by the Department.
2. “Claim” means the amount of a debt owed because CA Benefits were overpaid.

3. “Inadvertent Household Error” or “IHE Claim” means any Claim for an Overpayment resulting from a misunderstanding or unintended error on the part of the CA Assistance Unit or a member of the CA Needy Family. This includes instances when the Assistance Unit received more Benefits than it was entitled to receive because the Assistance Unit requested a continuation of Benefits, pending a Fair Hearing decision.

~~R6-12-1101~~R6-12-1102. ~~Overpayments: Date of Discovery; Collection; Exceptions~~

Claim Calculation; Date of Discovery

~~A.~~ ~~Except as provided in subsection (E), the Department shall pursue collection of all overpayments.~~

~~B.~~ The Department discovers an ~~overpayment~~ Overpayment on the date the Department determines that an ~~overpayment~~ Overpayment exists.

1. For AE Claims, the date of discovery is the date the Overpayment has been verified or the date the Assistance Unit ultimately fails to respond to or satisfy an Overpayment inquiry.

2. For IHE and IPV Claims, the date of discovery is the date that the Department obtains verification used to calculate the over-issuance.

~~C.~~ ~~The Department shall write an overpayment report within 90 days of the discovery date.~~

~~D.~~ ~~If the FAA office suspects that an overpayment was caused by fraudulent activity, it shall refer the overpayment report to the Department’s Office of Special Investigations for potential prosecution.~~

~~E. The Department shall not attempt to recover an overpayment from a person who is not a current recipient when the overpayment was not the result of an intentional program violation or fraud, and:~~

~~1. The total overpayment is less than \$35, or~~

~~2. The Department has exhausted reasonable efforts to collect an overpayment of \$35 or more and has determined that it is no longer cost-effective to pursue the claim.~~

R6-12-1103. Methods of Collection and Recoupment Repealed

~~A. When an overpaid assistance unit is currently receiving benefits, the Department shall permit the unit to choose 1 of the following repayment methods:~~

~~1. Offset against any underpayment due the unit;~~

~~2. Cash payments;~~

~~3. Reduction in current benefits, in an amount not to exceed 10% of the unit's monthly payment, unless the unit desires a larger reduction;~~

~~4. A combination of the above methods.~~

~~B. If the repayment reduces the unit's benefits to 0, the unit shall remain eligible for CA for all other purposes.~~

~~C. If the assistance unit is not receiving benefits, the Department shall pursue recovery by appropriate action under state law.~~

R6-12-1103. Determining a Claim Amount

A. The Department shall determine whether the Overpayment of Benefits occurred at the time an Eligibility Determination was rendered for a new or recertification application or whether the Overpayment occurred during an eligible certification period.

B. When it is discovered that the Department rendered an incorrect Eligibility Determination or issued an incorrect Benefit amount because the Department failed to correctly act on information provided on the application or reported by the Applicant, or because the Applicant failed to provide correct information on the application or prior to application approval, the Department shall re-determine eligibility and a Benefit amount for that application and for the months in the certification period, using the application approval or denial policies and procedures that were in effect at the time the Eligibility Determination for the application was rendered. The Department will not consider information that was not previously reported by the Applicant that would have resulted in an increase in the Benefit allotment at the time of initial approval of Benefits.

1. When it is determined that the Assistance Unit was ineligible, the Department shall establish a Claim based on the amount of Benefits issued for each month during the certification period that was established when the application was originally approved, minus the amount of Benefits that the Department has expunged from the Assistance Unit's EBT Benefit account, for each of the corresponding overpaid months.

2. When it is determined that the Assistance Unit was eligible, the Department shall establish a Claim based on the amount of Benefits that were paid in excess of the correct Benefit amount in each month of the certification period, minus the

amount of Benefits that the Department has expunged from the Assistance Unit's EBT Benefit account, for each of the corresponding overpaid months.

3. When it is determined that the Assistance Unit was eligible and received a smaller Benefit amount than it was eligible to receive because the Department failed to correctly act on information provided on the application or reported by the Applicant prior to application approval, the Department shall issue a supplement for each month in the certification period that the Assistance Unit was paid less than the correct Benefit.

C. When a change occurred during an eligible certification period:

1. The Department shall process any change that was reported and re-determine a new Benefit allotment amount for each affected month in the certification period using the change processing policies and procedures that were in effect for those months.
 - a. The Department shall establish a Claim based on the amount of Benefits that were paid in excess of the new Benefit amount in each affected month of the certification period, minus the amount of Benefits that the Department has expunged from the Assistance Unit's EBT Benefit account: and
 - b. The Department shall issue a supplement for each month the Assistance Unit was paid less than the new Benefit amount.
2. When the Department discovers a change that was not reported by the Assistance Unit, the Department shall determine whether the change was required to be

reported based on the change reporting requirement assigned to the Assistance Unit for the certification period under R6-12-902.

- a. When the change was not required to be reported, the Department shall not process the change for the months in the certification period; or
- b. When the change was required to be reported, the Department shall re-determine eligibility and a new Benefit allotment amount for each affected month in the certification period using the change processing policies and procedures that were in effect for those months. The Department shall establish a Claim based on the amount of Benefits that were paid in excess of the correct Benefit amount in each month of the certification period, minus the amount of Benefits that the Department has expunged from the Assistance Unit's EBT Benefit account.

R6-12-1104. Notice of Claim

To begin collection on a Claim, the Department shall send the Assistance Unit a Notice of Claim.

At a minimum, the notice shall include:

1. The amount of the Claim;
2. The intent to collect from all adults in the Assistance Unit when the Overpayment occurred;
3. The type of Claim and reason for the Claim;
4. The time period associated with the Claim;
5. How the Claim was calculated;
6. The phone number to call for more information about the Claim;

7. The opportunity to inspect and copy records related to the Claim;
8. The opportunity to request a Fair Hearing related to the claim amount, unless the amount of the claim was established at a Fair Hearing. The Head of Household or an adult Assistance Unit Recipient will have 30 Days to request a Fair Hearing;
9. A due date or time frame to either repay or make arrangements to repay the Claim unless the State agency is to impose allotment reduction;
10. If allotment reduction is to be imposed, a due date or time frame to either repay or make arrangements to repay the Claim in the event that the Assistance Unit stops receiving Benefits; and
11. If an allotment reduction is imposed on an active case, the percentage of the monthly CA grant amount that will be reduced to repay the claim and the effective date of the initial grant reduction.

~~R6-12-1102~~R6-12-1105. ~~Overpayments:~~ Persons Liable for the Overpayment

A. The Department shall pursue collection of an ~~overpayment~~ Overpayment from:

1. The ~~assistance unit~~ Assistance Unit ~~which that~~ was overpaid;
2. Any ~~assistance unit~~ Assistance Unit of which a member who was an adult of the overpaid unit at the time the overpayment occurred has subsequently become a member; or
3. Any individual adult member of the overpaid ~~assistance unit~~ Assistance Unit, even if that member is not currently receiving Benefits.

B. The Department shall seek recovery from the ~~caretaker relative~~ Caretaker Relative, or the ~~caretaker relative's~~ Caretaker Relative's current ~~assistance unit~~

Assistance Unit, first. If the ~~caretaker relative~~ Caretaker Relative is unavailable due to death or disappearance, or was not a member of the overpaid ~~assistance unit~~ Assistance Unit, the Department shall seek recovery from the other members of the overpaid ~~assistance unit~~ Assistance Unit who were adults at the time the overpayment occurred or the other adult members' current ~~assistance unit~~ Assistance Unit.

C. The Department shall not attempt to recover an Overpayment from a person that is not a current Recipient when the Overpayment was not the result of an Intentional Program Violation or fraud, and:

1. The total Overpayment is less than \$35; or
2. The Department has exhausted reasonable efforts to collect an Overpayment of \$35 or more and has determined that it is no longer cost-effective to pursue the Claim.

R6-12-1106. Collection Methods

A. Allotment reduction. When an Assistance Unit is receiving CA Benefits, the Department may automatically collect payments for any Claim by reducing the amount of monthly Benefits that an Assistance Unit receives in an amount not to exceed 10% of the Assistance Unit's monthly payment, unless the Assistance Unit desires a larger reduction.

B. The Department may allow an Assistance Unit that is not participating in the CA program to pay a Claim in equal monthly payments in a negotiated repayment agreement.

C. The Department may use other collection methods that include:

1. Submitting the Claim to the Arizona Department of Revenue for payment through a state tax refund;

2. Submitting the Claim to the Arizona Lottery Commission for payment through a lottery winnings offset;
3. A wage garnishment established through a civil judgment or criminal restitution order. When the Department has obtained a judgment or order, the Department shall:
 - a. Send the Assistance Unit a Pre-Garnishment Notice to allow the Assistance Unit to agree to pay the Claim in a manner other than wage garnishment; and
 - b. If the Assistance Unit fails to arrange for payment in response to the Pre-Garnishment Notice, the Department may request the Arizona Attorney General's Office to initiate a wage garnishment under applicable state law(s), and that garnishment may continue until the Claim is paid in full.
4. Garnishment or levy of monies or property under applicable state law(s);
5. Imposition or enforcement of all liens, including judgment liens imposed under A.R.S. § 33-961; and
6. Any other legal or equitable remedy for the collection of debts and judgments.

ARTICLE 12. INTENTIONAL PROGRAM VIOLATION

R6-12-1201. Location of Definitions

Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

<u>“Administrative Disqualification Hearing”</u>	<u>R6-12-101(B)</u>
<u>“Appeal”</u>	<u>R6-12-101(B)</u>
<u>“Appellant”</u>	<u>R6-12-101(B)</u>
<u>“Applicant”</u>	<u>R6-12-101(B)</u>
<u>“Assistance Unit”</u>	<u>R6-12-101(B)</u>
<u>“Benefit”</u>	<u>R6-12-101(B)</u>
<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Claim”</u>	<u>R6-12-1101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Dependent Child”</u>	<u>A.R.S. § 46-101(8)</u>
<u>“EBT”</u>	<u>R6-12-101(B)</u>
<u>“Excusable Neglect”</u>	<u>R6-12-101(B)</u>
<u>“Family”</u>	<u>R6-12-101(B)</u>
<u>“Head of Household”</u>	<u>R6-12-101(B)</u>
<u>“Hearing” or “Fair Hearing”</u>	<u>R6-12-101(B)</u>
<u>“Household”</u>	<u>R6-12-101(B)</u>

“Intentional Program Violation” or “IPV Claim” R6-12-101(B)

“Office of Appeals” R6-12-101(B)

“Parent” R6-12-101(B)

“Party” R6-12-101(B)

“Resources” R6-12-101(B)

“Title IV-A of the Social Security Act” R6-12-101(B)

~~R6-12-1201~~R6-12-1202. Intentional Program Violations (IPV); Defined

A. ~~An intentional program violation~~ Intentional Program Violation (IPV) ~~is an action by an individual, for the purpose of establishing or maintaining the family’s eligibility for CA or for increasing or preventing a reduction in the amount of the grant, which is intentionally~~ consists of having intentionally:

1. ~~Made~~ A ~~a false or misleading statement or misrepresentation~~ misrepresented,
~~concealment~~ concealed, ~~or withholding~~ withheld ~~of facts; or~~
2. ~~Any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity. Violated A.R.S. § 46-215 or any state or federal statute or regulation for the purpose of:~~
 - a. Obtaining CA for which a person or an Assistance Unit is not otherwise eligible, or CA greater than the amount for which a person or an Assistance Unit is eligible; or

b. Using, presenting, transferring, acquiring, receiving, possessing or trafficking of CA Benefits or EBT cards.

B. For the purpose of imposing sanctions as prescribed in ~~R6-12-1204~~ R6-12-1206, a person is considered to have committed an IPV if:

1. ~~The~~ A person signs a waiver of an Administrative Disqualification Hearing;
2. ~~The~~ A person is found to have committed an IPV by an Administrative Disqualification Hearing; or
3. ~~The~~ A person is convicted of ~~IPV~~ or a criminal offense the elements of which would constitute an IPV under subsection A above or enters into a disqualification consent agreement for deferred prosecution for fraud in a court of law.

**~~R6-12-1202~~R6-12-1203. IPV Administrative Disqualification Proceedings
Hearings;Hearing Waiver**

- A. Upon receipt of sufficient documentary evidence substantiating that a person has committed an IPV, The ~~the~~ Department shall initiate either an administrative disqualification proceeding Administrative Disqualification Hearing, or a referral for prosecution, ~~upon receipt of sufficient documentary evidence substantiating that an assistance unit member has committed an IPV.~~
- B. When the Department initiates ~~a disqualification proceeding~~ an Administrative Disqualification Hearing, the Department shall mail the ~~assistance unit member~~ person suspected of an IPV written notice of the right to waive the ~~disqualification hearing~~ Administrative Disqualification Hearing. This notice shall be sent either by first class mail or certified mail – return receipt requested.

C. The waiver notice of the Administrative Disqualification Hearing shall include the information at R6-12-1204(D), as well as: the following information

1. A statement that the Department has determined that the individual ~~The charges against the suspected violator and a description of the evidence supporting the charges;~~ of the IPV committed, and intended to commit, one or more acts described in R6-12-1202(A) and that the Department has initiated an Administrative Disqualification Hearing against the individual suspected of the IPV;
2. ~~An explanation of the disqualification sanctions imposed for intentional program violations;~~ A summary of the allegations and evidence against the individual suspected of the IPV and notification that the individual suspected of the IPV has the right to examine the Case Record prior to the Hearing and, when requested by the individual or representative, to be provided a free copy of any documents in the Case Record, except documents protected by the attorney-client or work-product privilege or as otherwise protected by federal or state confidentiality laws;
3. ~~A warning that the administrative proceeding does not preclude other civil or criminal court action;~~ A statement of the right of the individual suspected of the IPV to remain silent concerning the allegation of an IPV, and that anything said or signed by the individual concerning the allegations can be used against the individual suspected of the IPV in a court of law, including signing any part of the waiver;

4. ~~The date that the signed waiver notice must be received by the Department should the suspected violator wish to avoid the hearing;~~ A statement that signing a waiver of the Administrative Disqualification Hearing will result in disqualification periods as determined by section R6-12-1206, a statement of the penalty the Department believes is applicable to the case scheduled for a Hearing and a reduction in Benefits for the period of disqualification, even if the individual suspected of the IPV does not admit to the facts as presented by the Department;
5. ~~Signature lines for the suspected violator and the suspected violator's current caretaker relative if the suspected violator is not the caretaker relative;~~ A statement that the individual suspected of the IPV does not have to sign a waiver of the Administrative Disqualification Hearing, return the waiver form to the Department or speak to anyone at the Department;
6. ~~A statement that the caretaker relative must also sign the waiver if the suspected violator is not the caretaker relative;~~ A statement of the Fair Hearing rights of the individual suspected of the IPV and notification that these rights are waived when the individual suspected of the IPV submits a signed waiver of the Administrative Disqualification Hearing form;
7. ~~A statement of the suspected violator's right to remain silent concerning the charge;~~ A statement that waiver of the Administrative Disqualification Hearing does not preclude the State or Federal Government from prosecuting the

individual suspected of the IPV for the IPV in a civil or criminal court action, or from collecting any over issuance of CA Benefits;

8. ~~A warning that anything said, written, or signed by the suspected violator concerning the charge may be used against him or her in administrative proceedings or a court of law;~~ A statement that the individual suspected of the IPV may wish to consult an attorney and a list of any individuals or organizations that provide free legal representation;
9. ~~A warning that any waiver of the hearing establishes an IPV, eliminates the right to further administrative appeal, and will result in disqualification and a reduction in benefits for other assistance unit members for the period of disqualification; A statement that CA Benefits will continue and will only be terminated if the following occurs:~~
 - a. The individual suspected of the IPV signs a notice to waive the individual's rights to an Administrative Disqualification Hearing;
 - b. There is an Administrative Disqualification Hearing decision that the individual suspected of the IPV is disqualified;
 - c. The individual is determined to no longer be eligible on other grounds; or
 - d. The individual requests that the CA Benefits not be continued in order to avoid a potential over issuance of Benefits.
10. ~~Statements providing the suspected violator an opportunity to admit to the facts supporting disqualification or waive the hearing without admitting to the facts; A~~

statement that the remaining adult Assistance Unit members, if any, will be held responsible for repayment of the resulting over issuance Claim.

11. ~~The name, address, and telephone number of a Department representative whom the suspected violator may contact for further information;~~ An opportunity for the individual suspected of the IPV to specify whether or not the individual admits to the facts as presented by the Department. This opportunity shall consist of the following statements, and a method for the individual suspected of the IPV to designate the individual's waiver choice:

a. I admit to the facts as presented in my CA case and understand that a disqualification penalty will be imposed if I sign this waiver. I understand that if I sign this waiver, there will not be an Administrative Disqualification Hearing;

b. I do not admit that the facts as presented are correct in my CA case. However, I have chosen to sign this waiver of the Administrative Disqualification Hearing. I also understand that a disqualification penalty will be imposed. I understand that if I mark this box, I will not be able to submit additional evidence, have an Administrative Disqualification Hearing, or have the right to administrative Appeal; or

c. I do not admit that the facts as presented are correct in my CA case. I do not waive my right to require an Administrative Disqualification Hearing where the Department shall prove by clear and convincing evidence that I committed, and intended to commit, an Intentional Program Violation.

12. ~~A list of persons or organizations which may provide the suspected violator with free legal advice regarding the IPV; and~~ A statement that if the individual suspected of the IPV does not waive the individual's right to an Administrative Disqualification Hearing, then the Department shall prove by clear and convincing evidence that the person committed and intended to commit, an Intentional Program Violation. The statement shall also advise the person that they may attend the Hearing but are not required to attend. If the person opts to attend the Hearing, they may talk to the judge about what happened and present additional evidence to the judge if the person wants to. The person also has the right to remain silent. The judge will decide if the person will be disqualified from participating in the CA program;
13. ~~A warning that the Department shall hold any remaining household members responsible for repayment of any overpayment arising from the IPV. The telephone number of the appropriate Department unit that the individual may contact to obtain additional information;~~
14. A due date that the signed waiver of an Administrative Disqualification Hearing shall be provided to the Department so that a Hearing will not be held and a signature block for the individual suspected of the IPV, along with a statement that the Head of Household shall also sign the waiver if the individual suspected of the IPV is not the Head of Household, with an appropriately designated signature block; and
15. If the signed waiver of the Administrative Disqualification Hearing is not returned

by the due date, the Department shall schedule the Administrative Disqualification Hearing and shall send the individual suspected of the IPV a written Hearing notice as contained in R6-12-1204(C).

D. For the purpose of imposing sanctions as prescribed in ~~R6-12-1204~~ R6-12-1206, a timely signed waiver notice of an Administrative Disqualification Hearing shall have the same effect as an administrative adjudication that an IPV occurred.

~~R6-12-1203~~R6-12-1204. ~~Disqualification Proceedings; Hearing~~ Administrative

Disqualification Hearings

- A. ~~If the suspected violator does not sign and return the waiver notice by the return date set in the waiver notice, the Office of Appeals shall send the suspected violator a notice of hearing. The Office of Appeals shall send the notice by certified mail, return receipt requested, no later than 30 days before the scheduled hearing date. The rules on Fair Hearings contained in Article 10 of this Chapter apply to IPV Administrative Disqualification Hearings, except as provided in this Article.~~
- B. All IPV Administrative Disqualification Hearings are conducted by the Department's Office of Appeals.
- C. If the individual suspected of an IPV does not sign and return the waiver of Administrative Disqualification Hearing by the return date set in the waiver notice, or returns the waiver notice stating they do not waive the Administrative Disqualification Hearing, the Office of Appeals shall send the individual a written Hearing notice. The Office of Appeals shall send the notice by first class mail, certified mail return receipt

requested, or any other reliable method, at least 30 Days before the scheduled Hearing date.

B.D. The ~~notice of hearing~~ Hearing notice shall include the following information:

1. The date, time, and place of the ~~hearing~~ Hearing;
2. The ~~charges~~ allegations of an IPV against the ~~suspected violator~~ individual;
3. A summary of the evidence ~~supporting the charges~~; how and where the evidence can be examined, and that the individual suspected of the IPV has the right to examine the Case Record prior to the Hearing. When requested by the Appellant or its representative, the Department shall provide a free copy of any documents in the Case Record, except documents protected by the attorney-client or work-product privilege or as otherwise protected by federal or state confidentiality laws;
4. ~~The location where the suspected violator may examine the supporting evidence before the hearing~~ A notice that the decision will be based solely on information provided by the Department if the individual suspected of the IPV fails to appear at the Hearing;
5. ~~A warning that the hearing officer shall render a decision based solely on the evidence which the Department offers if the suspected violator does not appear for the hearing~~ A statement that the individual or representative will, upon receipt of the notice, have 10 Days from the date of the scheduled Hearing to present good cause for failure to appear in order to receive a new Hearing;

6. ~~An explanation of the suspected violator's right to show good cause for a failure to appear at the hearing and the procedure for doing so; A statement that the individual or representative will, upon receipt of the notice, have 10 days from the date of the scheduled hearing to present good cause for failure to appear in order to receive a new hearing~~ A warning that a determination of IPV will result in disqualification periods as defined by section R6-12-1206, and a statement of which penalty the Department believes is applicable to the case scheduled for a Hearing;
7. ~~An explanation of the sanctions the Department shall impose if the hearing officer finds that the suspected violator committed an IPV~~ A listing of the individual's rights as contained in R6-12-1011;
8. ~~A listing of the suspected violator's procedural rights as explained in R6-12-1010~~ A statement that the Administrative Disqualification Hearing does not preclude the State or Federal Government from prosecuting the individual for the IPV in a civil or criminal court action, or from collecting any over issuance of CA Benefits;
9. ~~A warning that the pending administrative hearing does not preclude other civil or criminal court action~~ A statement that the individual suspected of the IPV may consult with an attorney and a list of any individuals or organizations known to the Department that provide free legal representation; and
10. ~~A statement advising of any free legal advice which may be available~~ A notice that the individual suspected of the IPV has the right to obtain a copy of the

Department's published Hearing procedures together with an explanation of how the individual suspected of the IPV can obtain these procedures.

- ~~11. A statement explaining how to obtain a copy of the Department's published hearing procedures; and~~
- ~~12. A statement that the suspected violator may have the hearing postponed by contacting the hearing officer at least 10 days before the hearing date and asking for a postponement.~~

~~C.E.~~ The ~~hearing officer~~ Hearing Official shall postpone a ~~hearing~~ Hearing for up to 30 Days if the individual suspected ~~violation of the IPV~~ files a written request for requests a postponement with the ~~hearing officer~~ Hearing Official no later than 10 Days before the scheduled ~~hearing~~ Hearing date. Any such postponement shall increase the time by which the ~~hearing officer~~ Hearing Official shall issue a decision, as provided in subsection ~~(G)~~ (J) below.

~~D.~~ ~~At the start of the disqualification hearing, the hearing officer shall advise the suspected violator or representative of the right to remain silent during the hearing and the consequences of exercising that right.~~

E. The time and place for the Hearing shall be arranged so that the Hearing is accessible to the individual suspected of the IPV, including making reasonable accommodations for a person with a disability.

~~E.~~ ~~A hearing officer, as prescribed in R6-12-1005, shall conduct the disqualification hearing pursuant to the procedures set forth in R6-12-1006, R6-12-1007, and R6-12-1011, except as prescribed in this subsection. 1. The suspected violator does not~~

~~need to request a hearing as prescribed in R6-12-1006(B). 2. The standard of proof is clear and convincing. 3. So long as the Department sent an advance notice of hearing as provided in subsections (A) and (B) above, the hearing officer shall conduct the disqualification hearing even if the suspected violator or representative cannot be located or fails to appear at the hearing without good cause.~~

G. At the start of the Administrative Disqualification Hearing, the Hearing Official shall advise the individual suspected of the IPV or the individual's representative of the right to remain silent during the Hearing. The Hearing Official shall also advise that if the individual suspected of the IPV or the individual's representative chooses not to exercise the right to remain silent, anything the individual suspected of the IPV or the individual's representative say may be used against the individual suspected of the IPV or the individual's representative.

H. A Hearing Official, as prescribed in R6-12-1008, shall conduct the Administrative Disqualification Hearing pursuant to the procedures set forth in Title 6, Chapter 10 of the Arizona Administrative Code.

F.I. The Department shall prove by clear and convincing evidence that the ~~household~~ the individual suspected of the IPV committed, and intended to commit, an IPV.

G.J. No later than 90 ~~days~~ Days from the date of the notice of ~~hearing~~ Hearing, as increased by any postponement ~~days~~ Days, the ~~hearing officer~~ Hearing Official shall send to the individual suspected ~~violation~~ of the IPV a written decision, ~~which shall conform to the requirements of R6-12-1012 and shall include the information described at R6-12-1204(C).~~ The Hearing Official shall find whether the evidence shows by clear and

convincing evidence that the person committed, and intended to commit, an IPV. The decision shall specify the reasons for the decision, identify the supporting evidence, identify the pertinent regulation, respond to reasoned arguments made by the individual suspected of the IPV or the individual's representative, and include Appeal rights.

R6-12-1205. Failure to Appear; Default; Reopening

- A. If the individual suspected of the IPV fails to appear at the Administrative Disqualification Hearing without good cause, the Hearing Official shall conduct the Hearing.
- B. The Hearing Official shall not conduct the Hearing if the individual suspected of the IPV notifies the Office of Appeals before the Hearing that the individual cannot attend the Hearing because of good cause and still desires a Hearing. Good cause includes circumstances beyond the Household's reasonable control such as, but not limited to, illness, illness of another Household member requiring the presence of the adult member, or a Household emergency.
- C. An individual suspected of the IPV who did not appear at the Hearing may file a request to reopen the Administrative Disqualification Hearing. The request shall be in writing and shall demonstrate good cause for the Party's failure to appear.
 - 1. The individual suspected of the IPV has 30 Days after the date of the written notice of the Hearing decision to file a request to reopen the Administrative Disqualification Hearing if the individual did not receive a Hearing notice.
 - 2. In all other instances, the individual suspected of the IPV has 10 Days from the Hearing date to show good cause why the individual failed to appear.

- D. The Hearing Official shall review the good cause reason submitted by the individual suspected of the IPV and unless the Hearing Official can grant or deny the request based on the information provided, shall set the matter for a Hearing to determine whether the individual suspected of the IPV had good cause for failing to appear.
- E. If the Hearing Official finds that the individual suspected of the IPV had good cause for failure to appear, the previous decision shall be vacated and the Hearing Official shall reopen the Administrative Disqualification Hearing and schedule a new Hearing with notice to all parties. The Hearing Official shall enter the good cause decision on the record.
- F. Good cause, for the purpose of reopening an Administrative Disqualification Hearing, is established if the failure to appear at the Hearing and the failure to timely notify the Hearing Official were beyond the reasonable control of the individual suspected of the IPV. Good cause includes, but is not limited to, illness, illness of another Household member requiring the presence of the adult member, or a Household emergency. Good cause also exists when the individual suspected of the IPV demonstrates Excusable Neglect for both the failure to appear and the failure to timely notify the Hearing Official.

~~R6-12-1204~~R6-12-1206. Disqualification Sanctions; Notice

- A. A person found to have committed an IPV is disqualified from program participation for 12 months for the ~~1st~~ first violation; 24 months for the ~~2nd~~ second violation; and permanently for the ~~3rd~~ third violation.

~~B. The Department shall not include the needs of the disqualified person in the assistance unit but shall count the income and resources of the disqualified person available to the unit.~~

C.B. Upon a determination of IPV, the Department shall notify the ~~violation~~ disqualified person in writing of the pending disqualification. The written notice shall:

1. Inform the ~~violation~~ disqualified person of the decision and the reasons for the decision; and
2. ~~Provide the beginning date and duration of the disqualification, including an explanation of any deferment of disqualification; and~~ Inform the disqualified person of the date the disqualification will take effect and the duration of the disqualification. If the disqualified person is no longer receiving CA Benefits, the notice shall inform the disqualified person that the period of disqualification will be deferred until such time as the disqualified person again applies for and is determined eligible for CA Benefits.
3. ~~Explain the consequences of the disqualification on household members other than the violator.~~

C. When the disqualified person is either a member of the Assistance Unit, or Parent of a Dependent Child whose income and Resources are considered available to the Assistance Unit, the Department shall not include the needs of the disqualified person in the Assistance Unit but shall count the income and Resources of the disqualified person in its entirety as being available to the Assistance Unit when determining eligibility for a

cash grant, and the amount of the cash grant, for the remaining eligible Assistance Unit members.

D. The Department shall notify the remaining members of the Assistance Unit of the member's eligibility and Benefit level at the same time the excluded member is notified of the member's disqualification.

~~R6-12-1205~~R6-12-1207. Disqualification Hearings; Appeal
Administrative Disqualification Hearings or Waiver of the Right to a
Hearing; Appeal

A. Upon a determination of IPV through a signed waiver of an Administrative Disqualification Hearing, the individual has no right to further administrative Appeal. The individual may seek relief in a court having jurisdiction and may seek a stay or other injunctive relief of a period of disqualification.

~~A.B.~~ ~~A person found to have committed an IPV through an administrative disqualification hearing~~ Party may Appeal the a Hearing Official's Administrative Disqualification Hearing decision as provided in R6-12-1017 to the Department's Appeals Board as prescribed provided in R6-12-1017 R6-12-1018.

B. ~~Upon a determination of IPV through a signed waiver of a disqualification hearing, the violator has no right to further administrative appeal.~~

C. An individual adversely affected by an Appeals Board decision may seek judicial review under A.R.S. § 41-1993.

~~R6-12-1206~~R6-12-1208. Honoring Out-of-State IPV Determinations and Sanctions

The Department shall honor sanctions imposed against an ~~applicant~~ Applicant or ~~recipient~~ Recipient by the Title IV-A agency of another state and shall consider prior violations committed in another state when determining the appropriate sanction.

ARTICLE 13. JOBSTART Repealed

R6-12-1301. Scope Repealed

~~The Department shall operate a wage subsidy program entitled JOBSTART on a statewide basis.~~

R6-12-1302. Definitions Repealed

~~The following definitions apply to this Article:~~

- ~~1. “Adjusted gross monthly wages” means the gross monthly wages a person receives from a JOBSTART-subsidized placement after deductions for federal and state income taxes and Federal Insurance Contributions Act (FICA) contributions.~~
- ~~2. Subsidized placement means a job with a public or private sector employer for which the Department reimburses the employer monthly for the wages paid to the participant the lesser of:~~
 - ~~a. A fixed subsidy amount determined by the Department pursuant to the contract with the employer, or~~
 - ~~b. The gross wages paid by the employer.~~
- ~~3. Wage pool means a pool of diverted CA and Food Stamp Program benefits which are used to reimburse an employer for the monthly wages paid to a participant.~~

R6-12-1303. Diversion of Benefits to Wage Pool Repealed

~~A. When JOBS notifies FAA that JOBS has assigned a recipient to a JOBSTART-subsidized placement, FAA shall redirect the recipient's CA and Food Stamp Program benefits to the JOBSTART wage pool to reimburse the participant's employer for wages paid to the participant.~~

~~B. The reimbursement shall not exceed the lesser of:~~

~~1. The recipient's gross monthly earnings from the JOBSTART-subsidized placement, calculated as total hours worked times the participant's hourly wage rate; or~~

~~2. A fixed subsidy amount determined by the Department pursuant to the contract with the employer. The reimbursement shall not exceed 40 hours per week at the federal minimum wage.~~

~~C. The Department shall divert the CA and Food Stamp Program benefits to the wage pool beginning with the calendar month following the month the participant 1st receives wages from the subsidized placement and shall continue diverting the benefits until the participant stops holding a subsidized placement.~~

R6-12-1304: Treatment of Income Repealed

~~The Department shall exclude as income the participant's gross monthly wages received from the subsidized job placement. Income from other sources shall count pursuant to Article 4.~~

R6-12-1305: Supplemental Payments Repealed

~~A. Advance supplemental payments.~~

~~1. The Department shall provide an advance supplemental payment to a JOBSTART participant if the adjusted gross wages the participant is expected to receive in a~~

~~benefit month are less than the combined cash value of the CA and Food Stamp Program benefits which the participant is eligible to receive for that month.~~

- ~~2. Each month the Department shall determine the need for a supplemental payment, and the amount of the payment, using prospective budgeting based on anticipated family composition and wages of 40 hours per week during the month at the adjusted gross monthly wage the participant is expected to receive.~~
- ~~3. The supplemental payment shall equal the cash value of the combined CA and Food Stamp Program benefits the participant is eligible to receive for the month minus the anticipated adjusted gross monthly wages from the subsidized placement.~~

~~**B.** Emergency supplemental payments. The Department shall provide an emergency supplemental payment to a JOBSTART participant if the adjusted gross wages the participant is expected to receive in a benefit month, plus any supplemental payments already made for that month, are less than the cash value of the monthly food stamp allotment for the participant's household. The Department shall provide an emergency payment no later than 10 days after the date:~~

- ~~1. The participant requests an emergency payment, or~~
- ~~2. The Department receives information from the employer which indicates the need for an emergency payment.~~

~~**C.** Reconciliation supplemental payments:~~

- ~~1. The Department shall provide a reconciliation supplemental payment to a JOBSTART participant who receives less in adjusted gross wages in a benefit~~

~~month than the cash value of the combined CA and Food Stamp Program benefits which the participant is eligible to receive for that month due to a reduction in available work hours by the employer.~~

- ~~2. The Department shall issue the reconciliation supplemental payment no later than the 10th day of the month following the benefit month.~~
- ~~3. The reconciliation supplemental payment, plus the adjusted gross wages and any other supplemental payments already received for the benefit month, shall not exceed the cash value of the combined CA and Food Stamp Program benefits the participant was eligible to receive for the benefit month.~~

~~R6-12-1306: Sanctions Repealed~~

~~A. If a recipient fails or refuses to comply with JOBSTART participation requirements without good cause the Department shall decrease the CA grant using the progressive sanction process described in R6-12-316.~~

~~B. Good cause is limited to the following circumstances:~~

- ~~1. The participant has been referred to a job or employment which is the subject of a strike, lockout, work stoppage, or other bona fide labor dispute;~~
- ~~2. The job requires the participant to join a company union or to resign or refrain from joining a bona fide labor organization;~~
- ~~3. The participant was incarcerated or ordered to make a court appearance;~~
- ~~4. Severe weather conditions prevented the participant and other persons similarly situated from traveling to or participating in the employment activity;~~

- ~~5. The participant or the participant's dependent child suffers a debilitating illness or incapacity; or~~
- ~~6. The participant has a family crisis, such as:~~
- ~~a. Catastrophic loss of home to fire, flood, or other natural disaster; or~~
- ~~b. Death of an immediate family member.~~
- ~~C. JOBS shall determine if good cause exists.~~
- ~~D. The Department shall apply the appropriate progressive sanction reduction against the monthly CA benefit amount the assistance unit is entitled to receive for the month the sanction is applied.~~
- ~~E. The progressive sanction benefit reduction shall continue for a minimum of 1 month and until the person complies with JOBS requirements or becomes exempt from JOBS participation.~~

~~R6-12-1307.~~ Renumbered Repealed

ARTICLE 14. GRANT DIVERSION

R6-12-1401. Definitions and Location of Definitions

A. Location of definitions. The following definitions applicable to this Article are found in the following Section or Citation:

"Applicant" R6-12-101(B)

"Assistance Unit" R6-12-101(B)

"Benefit" or "Cash Benefit" R6-12-101(B)

<u>“CA”</u>	<u>R6-12-101(B)</u>
<u>“Caretaker Relative”</u>	<u>R6-12-101(B)</u>
<u>“Countable Income”</u>	<u>R6-12-101(B)</u>
<u>“Day”</u>	<u>R6-12-101(B)</u>
<u>“Department”</u>	<u>R6-12-101(B)</u>
<u>“Grant Diversion or “Grant Diversion Cash Benefit”</u>	<u>R6-12-101(B)</u>
<u>“Grant Diversion Payment Period”</u>	<u>R6-12-1401(B)</u>
<u>“Jobs Program”</u>	<u>R6-12-101(B)</u>
<u>“Non-parent”</u>	<u>R6-12-101(B)</u>
<u>“Overpayment”</u>	<u>R6-12-101(B)</u>
<u>“Parent”</u>	<u>R6-12-101(B)</u>
<u>“Personal Responsibility Agreement”</u>	<u>R6-12-101(B)</u>
<u>“Two-Parent Employment Program” or “TPEP”</u>	<u>R6-12-101(B)</u>

B. The following definition applies to this Article:

“Grant Diversion Payment Period” means the time period that begins the first Day of the first eligible month and ends the last Day of the third eligible month.

R6 -12-1402. Eligibility for Grant Diversion

The Department shall offer ~~applicant~~ an Applicant the option of receiving a lump sum Grant Diversion ~~cash-benefit~~ Cash Benefit when the ~~applicant~~ Applicant satisfies all of the following eligibility criteria:

1. The ~~assistance-unit~~ Assistance Unit includes an adult ~~parent~~ Parent or ~~non-parent caretaker relative~~ NPCR;
2. The ~~assistance-unit~~ Assistance Unit meets all CA financial and non-financial eligibility criteria, except that the adult ~~parent~~ Parent or ~~non-parent caretaker relative~~ Nonparent Caretaker Relative is exempt from the following:
 - a. The child ~~support~~ Support requirements in R6-12-311;
 - b. The Jobs ~~program~~ Program participation requirements in R6-12-313;
 - c. The Personal Responsibility Agreement in R6-12-302; and
 - d. The TPEP employment and education requirements in ~~R6-12-606~~ R6-12-607;
3. The ~~assistance-unit~~ Assistance Unit is eligible for a CA ~~cash-benefit~~ Cash Benefit of at least one dollar in either the month of application or either of the two months following the month of application;
4. An adult ~~assistance-unit~~ Assistance Unit member is immediately available for full-time employment and the adult satisfies at least one of the following requirements:
 - a. Was employed in the month the application was received or in at least one of the 12 months preceding the month that the application was received;

- b. Has a verified offer of full-time employment that will begin within the three month Grant Diversion ~~payment period~~ Payment Period; or
 - c. Has successfully completed an educational, vocational, or job training program in the month the application was received or in one of the six months preceding the month that the application was received;
5. An adult ~~parent~~ Parent or ~~non-parent caretaker relative~~ NPCR in the ~~assistance unit~~ Assistance Unit completes and signs the Grant Diversion Applicant Agreement form, which includes the adult's agreement that the short term Grant Diversion ~~cash-benefit~~ Cash Benefit shall assist and support the adult in securing full-time employment within 90 Days of the application date in order to enable the ~~assistance unit~~ Assistance Unit to become self-sufficient;
 6. The ~~assistance unit~~ Assistance Unit has not received a Grant Diversion ~~cash benefit~~ Cash Benefit in the 12 months preceding the month that the application was received; and
 7. The ~~assistance unit~~ Assistance Unit is not currently being sanctioned under R6-12-316.

R6-12-1403. Amount of the Grant Diversion Cash Benefit

The Department shall provide an eligible ~~assistance unit~~ Assistance Unit a nonrecurring lump sum ~~cash-benefit~~ Cash Benefit in an amount equal to three times the maximum monthly ~~cash benefit~~ Cash Benefit for which the ~~assistance unit~~ Assistance Unit would be eligible in the Cash Assistance program, based on zero ~~countable income~~ Countable Income. The Department shall provide the ~~cash-benefit~~ Cash Benefit to financially assist an adult ~~assistance unit~~ Assistance

Unit member in securing full-time employment within the three month Grant Diversion ~~payment period~~ Payment Period.

R6-12-1404. Treatment of Changes During the Grant Diversion Payment Period

- A. The Department shall exempt the ~~assistance-unit~~ Assistance Unit from the change reporting requirements in ~~R6-12-901~~ R6-12-902 during the three month Grant Diversion ~~payment period~~ Payment Period.
- B. When the Department receives a request to add a member to the ~~assistance-unit~~ Assistance Unit during the three month Grant Diversion ~~payment period~~ Payment Period, the Department shall comply with subsections (B)(1) through (B)(3).
1. The Department shall redetermine eligibility including the added member. The Department shall add the new member, effective the date the request is received, only when the ~~assistance-unit~~ Assistance Unit remains eligible.
 2. When the ~~assistance-unit~~ Assistance Unit remains eligible, the Department shall add the new member, effective the date the Department receives the request to add the member, and recalculate the ~~assistance-unit's~~ Assistance Unit's Grant Diversion ~~benefit~~ Benefit amount. The Department shall issue the ~~assistance-unit~~ Assistance Unit a supplemental payment when the amount of the recalculated ~~cash-benefit~~ Cash Benefit amount exceeds the amount of the ~~cash-benefit~~ Cash Benefit that was issued to the ~~assistance-unit~~ Assistance Unit. The supplemental payment shall be a prorated amount from the date the Department received the request to add the member through the end of the three-month Grant ~~diversion payment period~~ Diversion Payment Period.

3. When the recalculated Grant Diversion ~~cash-benefit~~ Cash Benefit amount is less than the ~~cash-benefit~~ Cash Benefit that was issued to the ~~assistance-unit~~ Assistance Unit, the Department shall not add the member to the ~~assistance-unit~~ Assistance Unit and shall not write an ~~overpayment~~ Overpayment.